Financial Statements

September/2021

Banrisul

Press Release

Economic and Financial Indicators

Main Income Statement Accounts - R$ Million	9M2021	9M2020	3Q2021	2Q2021	1Q2021	4Q2020	3Q2020	9M2021/ 9M2020	3Q2021/ 2Q2021
Net Interest Income	3,672.3	3,800.4	1,215.8	1,249.1	1,207.3	1,462.4	1,239.5	-3.4%	-2.7%
Provisions for Expected Losses Associated with Credit Risk Expenses	632.1	1,100.2	284.5	217.8	129.8	401.3	319.4	-42.5%	30.6%
Financial Income	5,678.4	6,722.6	2,446.7	1,291.7	1,939.9	1,510.6	1,763.9	-15.5%	89.4%
Financial Expenses	2,006.1	2,922.2	1,230.9	42.6	732.6	48.2	524.4	-31.3%	2792.0%
Income from Services and Fees	1,456.6	1,434.1	495.7	482.3	478.5	521.3	472.1	1.6%	2.8%
Adjusted Administrative Expenses (1)	2,689.2	2,693.9	930.9	888.5	869.7	905.0	905.9	-0.2%	4.8%
Adjusted Other Expenses	761.8	661.0	300.5	209.0	252.3	230.1	318.8	15.3%	43.8%
Adjusted Other Income	332.0	309.8	121.8	110.4	99.8	148.2	146.7	7.2%	10.2%
Adjusted Net Income	732.3	495.1	171.5	281.9	278.9	329.7	117.8	47.9%	-39.2%
Net Income	700.8	495.1	156.6	265.2	278.9	232.3	117.8	41.5%	-41.0%
Main Balance Sheet Accounts - R$ Million	**Sep 2021**	**Sep 2020**	**Sep 2021**	**Jun 2021**	**Mar 2021**	**Dec 2020**	**Sep 2020**	**Sep 2021/ Sep 2020**	**Sep 2021/ Jun 2021**
Total Assets	101,648.6	90,167.2	101,648.6	98,063.0	95,432.1	91,822.9	90,167.2	12.7%	3.7%
Securities (2)	38,487.4	35,213.9	38,487.4	37,646.2	37,141.4	35,432.6	35,213.9	9.3%	2.2%
Total Credit Portfolio	38,701.8	36,257.7	38,701.8	36,640.1	36,852.2	37,605.8	36,257.7	6.7%	5.6%
Loan Loss Provision	2,693.3	2,813.3	2,693.3	2,673.3	2,700.7	2,763.1	2,813.3	-4.3%	0.7%
Past Due Loans > 90 Days	854.1	1,080.3	854.1	815.5	891.2	869.7	1,080.3	-20.9%	4.7%
Funds Raised and Under Management	81,188.1	78,483.5	81,188.1	79,121.1	78,577.4	80,457.7	78,483.5	3.4%	2.6%
Shareholders' Equity	8,749.5	8,354.9	8,749.5	8,654.4	8,581.2	8,346.2	8,354.9	4.7%	1.1%
Prudential Conglomerate Reference Equity	6,831.2	6,905.5	6,831.2	6,697.1	6,694.2	6,821.2	6,905.5	-1.1%	-1.1%
Average Shareholders' Equity	8,547.8	8,074.6	8,701.9	8,617.8	8,463.7	8,350.6	8,287.0	5.9%	1.0%
Average Total Assets	96,735.7	85,858.4	99,855.8	96,747.5	93,627.5	90,995.1	88,375.0	12.7%	3.2%
Average Profitable Assets	85,791.5	74,918.9	88,386.5	86,145.9	82,820.6	80,219.6	77,837.1	14.5%	2.6%
Stock Market Information - R$ Million	**9M2021**	**9M2020**	**3Q2021**	**2Q2021**	**1Q2021**	**4Q2020**	**3Q2020**	**9M2021/ 9M2020**	**3Q2021/ 2Q2021**
Interest on Own Capital / Dividends (3)	323.5	101.0	105.1	125.4	93.1	117.2	0.0	220.4%	-16.2%
Market Capitalization	4,768.6	4,879.1	4,768.6	5,423.0	4,924.1	5,958.8	4,879.1	-2.3%	-12.1%
Book Value Per Share	21.39	20.43	21.39	21.16	20.98	20.41	20.43	4.7%	1.1%
Average Price per Share (R$)	12.72	14.92	12.25	13.01	12.93	13.00	13.68	-14.7%	-5.9%
Earnings per Share (R$)	1.71	1.21	0.38	0.65	0.68	0.57	0.29	41.5%	-41.0%
Financial Indexes	**9M2021**	**9M2020**	**3Q2021**	**2Q2021**	**1Q2021**	**4Q2020**	**3Q2020**		
Adjusted ROAA (pa.) (4)	1.0%	0.8%	0.7%	1.2%	1.2%	1.4%	0.5%		
Adjusted ROAE (pa.) (5)	11.4%	8.2%	7.9%	13.1%	13.2%	15.8%	5.7%		
Adjusted Efficiency Ratio (6)	54.5%	54.3%	54.5%	54.0%	53.5%	53.0%	54.3%		
Net Interest Margin on Profitable Assets (7)	5.71%	6.76%	5.50%	5.80%	5.83%	7.29%	6.37%		
Adjusted Operating Cost	3.5%	4.1%	3.5%	3.6%	3.7%	3.9%	4.1%		
Default Rate > 90 Days (8)	2.21%	2.98%	2.21%	2.23%	2.42%	2.31%	2.98%		
Coverage Ratio 90 days (9)	315.3%	260.4%	315.3%	327.8%	303.1%	317.7%	260.4%		
Provisioning Index (10)	7.0%	7.8%	7.0%	7.3%	7.3%	7.3%	7.8%		
Basel Ratio (Prudential Conglomerate)	14.5%	16.2%	14.5%	14.8%	14.8%	15.8%	16.2%		
Structural Indicators	**Sep 2021**	**Sep 2020**	**Sep 2021**	**Jun 2021**	**Mar 2021**	**Dec 2020**	**Sep 2020**		
Branches (11)	499	508	499	500	502	507	508		
Service Stations	142	182	142	156	156	182	182		
Electronic Service Stations	414	418	414	418	426	418	418		
Employees	9,080	10,187	9,080	9,156	9,224	9,280	10,187		
Economic Indicators	**9M2021**	**9M2020**	**3Q2021**	**2Q2021**	**1Q2021**	**4Q2020**	**3Q2020**		
Effective Selic Rate	2.52%	2.28%	1.23%	0.79%	0.48%	0.47%	0.51%		
Exchange Rate (R$/USD - end of period)	5.44	5.64	5.44	5.00	5.70	5.20	5.64		
Exchange Rate Variation (%)	4.67%	39.94%	8.74%	-12.20%	9.63%	-7.87%	3.01%		
IGP-M (General Market Price Index)	16.01%	14.40%	0.80%	6.31%	8.27%	7.64%	9.59%		
IPCA (Extended Consumer Price Index)	6.90%	1.34%	3.02%	1.68%	2.05%	3.13%	1.24%		

(1) Includes Adjusted Personnel Expenses and Other Administrative Expenses.
(2) Includes Derivatives, Interbank Deposits and Cash Equivalents and deduces Repurchase Obligations.
(3) Interest on Own Capital and Dividends paid credited and/or provisioned (before retention of income tax).
(4) Net Income / Average Total Asset. As of 2Q2020, the indicator for the year is obtained by multiplying the division quotient by the number of periods.
(5) Net Income / Average Shareholders' Equity. As of 2Q2020, the indicator for the year is obtained by multiplying the division quotient by the number of periods.
(6) Efficiency Ratio for the last 12 months. Personnel Expenses + Other Administrative Expenses / Financial Margin + Income from Services and Fees + (Other Income – Other Expenses).
(7) As of 2Q2020, the indicator for the year is obtained by multiplying the division quotient by the number of periods.
(8) Past Due Loans > 90 days / Total Credit Portfolio.
(9) Provisions for Expected Losses Associated with Credit Risk/ Past Due Loans > 90 days.
(10) Provisions for Expected Losses Associated with Credit Risk/ Credit Portfolio.
(11) On June 9, 2021, the Board of Directors approved the voluntary termination of the activities of the Miami branch, having the works started on June 30, 2021.

BUSINESS SCENARIO

Since the beginning of the Covid-19 pandemic, Banrisul has directed efforts to guarantee access to banking services to customers and non-customers, investing in technological improvements and adaptations, in compliance with the health and safety protocols established by the authorities.

Among numerous measures, Banrisul adopted work shift schedules, remote work and on-site service, adjusted the customer service model at the branches, initially scheduling appointments as a preferential way, and made it mandatory due to the worsening of the pandemic; with the evolution of scenario, it was possible to adhere to the hybrid service format. In the third quarter, Banrisul resumed customer service by demand at branches, more dynamically, safe and comfortable. Regarding Afinidade customers, appointments continue directly with the Account Manager, according to the flow already adopted before the pandemic. Employees in the administrative areas who remained in the home office until the end of September are staggered and safely returning to work in person.

Faced with the challenges of the first nine months of 2021, the Bank invested in initiatives to expand the product portfolio and the relationship with customers, to promote administrative efficiency and the economic and social development. The effects of the pandemic and initiatives for the period are detailed in the Management Report, as well as in note to the financial statements.

Following the strategy of revenue diversification and business optimization related to the sale of security products, in January 2021, **Banrisul Corretora de Seguros S.A.** started operations, a wholly-owned subsidiary of the holding company Banrisul Seguridade Participações S.A., a company whose capital is wholly owned by Banrisul. Banrisul Corretora de Seguros gradually absorbed Banrisul's insurance operations.

Also in January 2021, Banrisul issued a **new subordinated debt**, in the amount of US$300 million, with interest of 5.375% p.a. The Notes have a 10-year term, with a 5-year repurchase option. Subordinated Debt was authorized, to make up the Tier II Capital, by the Central Bank of Brazil on October 25, 2021.

Digital transformation through development of new business and technology models has been the path taken by Banrisul. In the first nine months of 2021, **BanriTech** stands out, the Bank's startup acceleration program, in which, through a public notice, 30 startups were selected for the first cycle, carried out with the technical support of TecnoPuc. BanriTech is one of **BanriHub**'s initiatives, a broad initiative empowering projects that boost the innovation ecosystem in Rio Grande do Sul. In September, BanriTech's physical space, Hub.Space, was inaugurated, which will be a coworking for startups. Another initiative that integrates BanriHub, **NAVI** - an Artificial Intelligence and Data Science hub, was inaugurated at the end of the semester, led by TecnoPuc and Wisidea Ventures, with Banrisul as its master sponsor.

In relation to **Open Banking**, in January 2021, the Banrisul implemented Phase 1, referring to the sharing of data from the service channels, products and services available to customers. From August 2021, given the greater complexity, Phase 2 was staggered implemented, which enables the sharing, between Banrisul and other institutions, based on the client's consent, of registration and financial data, in accordance with the Central Bank of Brazil schedule. Phase 3, regarding the sharing of the PIX payment transaction initiation service, is under development, also staggered and it will have its first cycle implemented in late October.

Among the advances in **sustainability**, stand out in the period initiatives related to climate change, including adherence to the Brazilian GHG Protocol Program, with the official publication of the first greenhouse gas inventory and the receivement of Silver Stamp, adherence to CDP - Carbon Disclosure Project, as well as the beginning of the project for the migration of energy consumption to renewable energy sources. For the fourth quarter, Banrisul will count on the services of a specialized consultancy to improve the strategic management of sustainability and mitigation of greenhouse gases. Banrisul has sought to improve the integration of sustainable principles into its business strategy, organizational culture and daily activities.

FINANCIAL HIGHLIGHTS

The summary of Banrisul's 9M2021 and 3Q2021 results are presented below. The Analysis of Performance, Management Report, Financial Statements and the Accompanying Notes are available on the Bank's website, www.banrisul.com.br/ri.

Key Items of the Income Statement - R$ Million

	9M2021	9M2020	3Q2021	2Q2021	1Q2021	4Q2020	3Q2020	9M2021/ 9M2020	3Q2021/ 2Q2021
Net Interest Income	3,672.3	3,800.4	1,215.8	1,249.1	1,207.3	1,462.4	1,239.5	-3.4%	-2.7%
Loan loss provision expenses	632.1	1,100.2	284.5	217.8	129.8	401.3	319.4	-42.5%	30.6%
Income from Services and Fees	1,456.6	1,434.1	495.7	482.3	478.5	521.3	472.1	1.6%	2.8%
Adjusted Administrative Expenses	2,689.2	2,693.9	930.9	888.5	869.7	905.0	905.9	-0.2%	4.8%
Adjusted Operating Income	1,065.6	780.7	218.5	420.9	426.2	491.7	211.8	36.5%	-48.1%
Adjusted Net Income	732.3	495.1	171.5	281.9	278.9	329.7	117.8	47.9%	-39.2%
Net Income	700.8	495.1	156.6	265.2	278.9	232.3	117.8	41.5%	-41.0%

Net income reached R$700.8 million in the first nine months of 2021, 41.5% or R$205.6 million above the net income for the same period in 2020. Net income for the first nine months of 2021 was impacted by the adjustment of the provision for tax contingencies, the associated tax effect and the update of unrealized installments of deferred tax credits and debts, due to the enactment of Law No. 14,183/21, increasing from 20% to 25% the rate of the Social Contribution on the Net Income of the financial sector in the period between 07/01/2021 and 12/31/2021. The events mentioned were treated, for the purposes of income analysis, as not recurrent. **Adjusted net income** for non-recurring events reached R$732.3 million in 9M2021, 47.9% or R$237.2 million above the net income in 9M2020. In 3Q2021, adjusted net income totaled R$171.5 million, an increase of 45.6% or R$53.7 million compared to 3Q2020 net income and a decrease of 39.2% or R$110.4 million from 2Q2021 adjusted net income.

The **adjusted performance** recorded by Banrisul in 9M2021 compared to 9M2020 reflects especially (i) lower loan loss provision expenses, (ii) decreased net interest income, (iii) increased income from services and fees, (iv) increase in other adjusted expenses, and (v) higher volume of income taxes. In comparison between 3Q2021 and 2Q2021, the adjusted performance reflects, in particular (i) higher loan loss provision expenses, (ii) decreased net interest income (iii) increased income from services and fees, (iv) increased administrative expenses, (v) increase in other adjusted expenses net of other revenues and (vi) consequent lower volume of income taxes.

Net interest income for 9M2021 reached R$3,672.3 million, decreasing 3.4% or R$128.1 million compared to 9M2020, mainly reflecting a greater reduction in interest income compared to the decrease in interest expenses. In 3Q2021, net interest income amounted to R$1,215.8 million, an increase of 2.7% or R$33.3 million compared to 2Q2021, trend that reflects, in particular, a greater increase in interest expenses compared to the increase in interest income, in a context that associates increase in the Selic rate, exchange rate variation and increase in volume of credit loans.

Loan loss provision expenses reached R$632.1 million in 9M2021, decreasing 42.5% or R$468.1 million compared to 9M2020, reflecting, in particular, the rollover of the portfolio by risk rating, impacted by the economic scenario, and the decrease in defaults. In 3Q2021, these expenses totaled R$284.5 million, an increase of 30.6% or R$66.7 million compared to 2Q2021, due to the rollover of the portfolio by risk rating, the increase in overdue credit loans and the higher recovery of written off credit, which is fully provisioned.

Income from services and banking fees reached R$1,456.6 million in 9M2021, increasing 1.6% or R$22.4 million from 9M2020, facing mostly the increase in acquiring network's revenues and insurance, pension plans and capitalization bonds, offset by the decrease in debit-to-account income and checking accounts fee income. In 3Q2021, these revenues amounted to R$495.7 million, increasing 2.8% or R$13.4 million from 2Q2021, mostly due to increase in acquiring network's revenues.

Administrative expenses, comprised of personnel and other administrative expenses, totaled R$2,689.2 million in 9M2021, mostly stable from 9M2020. In 3Q2021, administrative expenses totaled R$930.9 million, an increase of 4.8% or R$42.4 million compared to 2Q2021. **Personnel expenses** totaled R$1,400.1 million in 9M2021, a decrease of 6.0% or R$88.8 million compared to 9M2020, mostly reflecting the resignation of employees within the Voluntary Termination Plan. In 3Q2021, personnel expenses totaled R$487.2 million, an increase of 7.3% or R$33.3 million compared to 2Q2021, mostly reflecting the collective wage agreement. **Other administrative expenses** totaled R$1,289.1 million in 9M2021, an increase of 7.0% or R$84.0 million compared to 9M2020, mainly influenced by the increase in expenses with specialized technical services and expenses with amortization and depreciation. In 3Q2021, other administrative expenses totaled R$443.8 million, an increase of 2.1% or R$9.2 million compared to 2Q2021, mainly influenced by the increase in expenses with advertising, promotions and publicity, amortization and depreciation expenses and expenses related to the donation of medical equipment to hospitals, movement partially offset by the decrease in expenses with communication.

The reconciliation between reported and managerial net income is presented below, and considers the non-recurring events. ROE, ROA and efficiency ratio are calculated based on adjusted net income.

Accounting Net Income Statement X Adjusted Net Income - R$ Million and %

	9M2021	9M2020	3Q2021	2Q2021	1Q2021	4Q2020	3Q2020
Adjusted Net Income	732.3	495.1	171.5	281.9	278.9	329.7	117.8
Adjustments	(31.6)	-	(14.9)	(16.7)	-	(97.3)	-
Voluntary Termination Plan (1)	-	-	-	-	-	(177.0)	-
Provision for Tax Contingencies (2)	(76.0)	-	-	(76.0)	-	-	-
Tax Effects (3)	34.2	-	-	34.2	-	79.6	-
Tax Credits – CSLL Law No. 14,183/21 (4)	10.3	-	(14.9)	25.2	-	-	-
Net Income	700.8	495.1	156.6	265.2	278.9	232.4	117.8
Adjusted ROAA	1.0%	0.8%	0.7%	1.2%	1.2%	1.4%	0.5%
Adjusted ROAE	11.4%	8.2%	7.9%	13.1%	13.2%	15.8%	5.7%
Adjusted Efficiency Ratio (5)	54.5%	54.3%	54.5%	54.0%	53.5%	53.0%	54.3%

(1) Costs accounted for under the Voluntary Termination Plan refer to 901 employees; of this total, 97.1% or 875 employees had already left the Bank under the Voluntary Termination Plan by the end of September 2021.
(2) Provision arising from the review of parameters and progress of the lawsuit related to income tax and social contribution on the deduction of expenses from the settlement of the actuarial deficit at the Banrisul Social Security Foundation, evoked by the Federal Revenue Service for the period 1998 to 2005 (Note 19b).
(3) Refers to Voluntary Termination Plan and Provision for Tax Contingencies.
(4) Refers to the update of the installments to be realized of deferred tax credits and debts, due to the enactment of Law No. 14,183/21, which increases from 20% to 25% the CSLL rate for the financial sector, in the period between 07/01/2021 and 12/31/2021.
(5) Personnel Expenses + Other Administrative Expenses / Financial Margin + Income from Services and Fees + (Other Income – Other Expenses). Considers the last 12 months.

Annualized adjusted ROAE reached 11.4% in 9M2021, 3.2 pp. above 9M2020, reflecting particularly the decrease in loan loss provision expenses and the increase in income from services and fees, trend offset by decrease in net interest income and increase in other adjusted expenses.

Adjusted efficiency ratio reached 54.5% in the twelve months up to September 2021 compared to 54.3% in the twelve months up to September 2020. The trajectory of the efficiency ratio reflects the decrease of the financial margin and stability in income from services and fees, as well as the increase in other adjusted expenses net of other income, compared to the decrease in adjusted administrative expenses.

OPERATIONAL HIGHLIGHTS

Total assets reached R$101,648.6 million in September 2021, an increase of 12.7% or R$11,481.3 million compared to September 2020 and 3.7% or R$3,585.5 million compared to June 2021. The main components of assets and liabilities will be discussed below.

Asset Evolution Statement - R$ Million

	Sep 2021	Jun 2021	Mar 2021	Dec 2020	Sep 2020	Sep 2021/ Sep 2020	Sep 2021/ Jun 2021
Total Assets	101,648.6	98,063.0	95,432.1	91,822.9	90,167.2	12.7%	3.7%
Credit Operations	38,701.8	36,640.1	36,852.2	37,605.8	36,257.7	6.7%	5.6%
Securities (1)	38,487.4	37,646.2	37,141.4	35,432.6	35,213.9	9.3%	2.2%
Funds Raised and Under Management	81,188.1	79,121.1	78,577.4	80,457.7	78,483.5	3.4%	2.6%
Shareholders' Equity	8,749.5	8,654.4	8,581.2	8,346.2	8,354.9	4.7%	1.1%

(1) Includes derivative financial instruments, interbank investments and cash equivalents, net of repo transactions.

Credit assets reached R$38,701.8 million in September 2021, an increase of 6.7% or R$2,444.1 million compared to September 2020, mainly influenced by the increase of R$1,410.8 million in non-earmarked credit and of R$1,233.2 million in rural loans, partially offset by the decrease of R$81.2 million in long-term financing. Compared to June 2021, the credit portfolio increased 5.6% or R$2,061.7 million mostly influenced by the increase of R$1,051.1 million in rural loans and of R$897.5 million in non-earmarked credit.

Statement of the Credit Portfolio - R$ Million

	Sep 2021	% Total Crédito	Jun 2021	Mar 2021	Dec 2020	Sep 2020	Sep 2021/ Sep 2020	Sep 2021/ Jun 2021
Foreign Exchange	639.6	1.7%	518.7	502.4	510.4	672.7	-4.9%	23.3%
Commercial	28,956.9	74.8%	28,059.4	28,136.2	28,887.4	27,546.1	5.1%	3.2%
Individuals	22,164.0	57.3%	21,861.8	21,873.5	22,278.0	21,373.1	3.7%	1.4%
Payroll (1)	17,557.3	45.4%	17,148.4	16,943.5	17,057.1	16,892.4	3.9%	2.4%
Other	4,606.7	11.9%	4,713.3	4,930.0	5,220.9	4,480.7	2.8%	-2.3%
Companies	6,792.8	17.6%	6,197.6	6,262.7	6,609.4	6,173.0	10.0%	9.6%
Working Capital	5,073.2	13.1%	4,563.7	4,527.8	4,873.7	4,493.0	12.9%	11.2%
Other	1,719.6	4.4%	1,633.8	1,734.9	1,735.6	1,680.0	2.4%	5.3%
Long-term Financing	535.3	1.4%	506.9	530.2	569.1	616.4	-13.2%	5.6%
Real Estate Financing	4,042.5	10.4%	4,077.6	4,104.9	4,125.6	4,122.9	-2.0%	-0.9%
Agricultural Financing	4,412.1	11.4%	3,361.0	3,459.3	3,392.2	3,178.9	38.8%	31.3%
Other (2)	115.4	0.3%	116.5	119.2	121.1	120.6	-4.4%	-1.0%
Total	**38,701.8**	**100.0%**	**36,640.1**	**36,852.2**	**37,605.8**	**36,257.7**	**6.7%**	**5.6%**

(1) Credits linked to portfolio acquired in assignment.
(2) Includes leasing and public sector.

Securities, **interbank investments and cash availabilities** totaled R$47,435.7 million in September 2021, which, deducted of repurchase agreements, presented a net balance of R$38,487.4 million, an increase of 9.3% or R$3,273.5 million compared to September 2020, mainly influenced by the increase in deposits and abroad funding carried out in January 2021, in a context of growth in the loan portfolio. Compared to June 2021, these investments recorded growth of 2.2% or R$841.2 million, influenced, especially, by the increase in deposits and financial and development funds, in a context of growth in loan portfolio.

Funds raised and under management, comprised of deposits, bank notes, subordinated debt and third-party funds, totaled R$81,188.1 million in September 2021, an increase of 3.4% or R$2,704.6 million in twelve months and of 2.6% or R$2,067.0 million in three months, both comparative periods influenced by the increase in deposits.

Shareholders' equity reached R$8,749.5 million in September 2021, an increase of 4.7% or R$394.6 million compared to September 2020 and of 1.1% or R$95.1 million compared to June 2021. The evolution of equity in twelve months reflects, in particular, the incorporation of net income, the payment of interest on equity and payment and/or provisioning of dividends, the reassessment of actuarial liabilities on post-employment benefits pursuant to the procedures set forth by CPC 33 (R1) and exchange variation adjustments on the equity of foreign branches. In the quarter, the trend of shareholders' equity reflects, in particular, the incorporation of net income, the payment of interest on equity and the exchange variation adjustments on the equity of foreign branches.

Banrisul paid and provisioned R$734.2 million in **taxes and contributions** in 9M2021. Taxes withheld and paid, directly levied on financial intermediation and other payments, amounted to R$669.1 million in the period.

Other Indicators - %

	9M2021	9M2020	3Q2021	2Q2021	1Q2021	4Q2020	3Q2020
Net Interest Margin	5.71%	6.76%	5.50%	5.80%	5.83%	7.29%	6.37%
Basel Ratio (Prudential Conglomerate)	14.5%	16.2%	14.5%	14.8%	14.8%	15.8%	16.2%
Loan Portfolio Normal Risk / Total Credit	90.9%	88.8%	90.9%	90.0%	89.9%	89.9%	88.8%
Loan Portfolio Risks 1 and 2 / Total Credit	9.1%	11.2%	9.1%	10.0%	10.1%	10.1%	11.2%
Default Rate > 90 Days	2.21%	2.98%	2.21%	2.23%	2.42%	2.31%	2.98%
Cover Ratio > 90 Days (1)	315.3%	260.4%	315.3%	327.8%	303.1%	317.7%	260.4%
Provision Ratio (2)	7.0%	7.8%	7.0%	7.3%	7.3%	7.3%	7.8%

(1) Provisions for Expected Losses Associated with Credit Risk / Past Due Loans > 90 days.
(2) Provisions for Expected Losses Associated with Credit Risk / Credit Portfolio.

The **NIM** decrease from 9M2020 to 9M2021 reflects the decrease in financial revenues and expenses and smaller representativeness in loan portfolio in volume of profitable assets in the period.

The **90-day default rate** reached 2.21% in September 2021, decreasing 0.77 pp. in twelve months and 0.02 pp. in three months. The balance of 90-day past due credit reached R$854.1 million in September 2021, decreasing 20.9% in twelve months and increasing 4.7% in the last quarter. The 90-day past due **coverage ratio** reached 315.3% in September 2021, compared to 260.4% in September 2020 and 327.8% in June 2021. From September 2020 to September 2021, the increase of the 90-day coverage ratio reflects the proportionally bigger decrease in past-due loans facing the decrease in the in the balance of provisions for expected losses associated with credit risk. In comparison with June 2021, the decrease in coverage ratio reflects the increase in overdue credits and the mostly stable balance of loan loss provisions.

Provision ratio reached 7.0% of the credit portfolio in September 2021, 1.8 pp. below September 2020 and 0.3pp. above June 2021. Loan loss provisions decreased 4.3% or R$120.0 million in twelve months, due to the rolling over of risk rating levels, impacted by the economic scenario, and the decrease in past-due loans. The portfolio of normal risk loans increased 2.1 pp. from September 2020. In the last quarter, the balance of loan loss provisions were mostly stable, increasing R$20.0 million reflecting the rollover of the portfolio by rating levels and the increase in past-due loans; the credit portfolio classified as normal risk increased 0.9 pp. from June 2021.

GUIDANCE

Expected evolution for credit portfolio, funding and performance indicators for 2021, revised and released on 1H2021 Financial Statements are maintained.

Guidance

	2021
	Projected [2]
Credit Portfolio	7% to 12%
Non-direct Lending – Individuals	5% to 10%
Non-direct Lending – Companies	8% to 13%
Agricultural Loans	22% to 27%
Provision Expenses / Credit Portfolio	2% to 3%
Funding [1]	4% to 8%
Return on Average Equity	10% to 14%
Efficiency Ratio	54% to 59%
Net Interest Income / Interest-Earning Assets	6% to 7%

(1) Funding: Deposits + Resources from bank notes and similar.
(2) Disclosed in 1H2021.

Porto Alegre, November 10, 2021.

Analysis of Performance

MARKET SHARE

In June 2021, Banrisul occupied the 10th position in total assets, the 11th in shareholders' equity and 9th in funding (total deposits, open market funding and borrowings and onlendings) and the 6th in number of branches, according to ranking published by the Central Bank of Brazil (BNDES not included).

Banrisul's domestic market share in time deposits reached 2.7115% in September 2021 from 2.9255% in September 2020; deposits grew 4.5% year-on-year in Banrisul vis-à-vis the 12.7% expansion observed within the banking industry in the same period. As to demand deposits, Banrisul's participation in the domestic market reached 1.2113% in September 2021, increasing 0.0458 pp. from September 2020; as for savings accounts, Banrisul's portfolio reached 1.1079% from the domestic market balance in September 2021, increasing 0.0432 pp. from September 2020. Banrisul's share in credit in the Brazilian credit market reached 0.8739% in September 2021 from 0.9494% in September 2020.

Credit market share reached 17.5150% of the total credit granted within Rio Grande do Sul in June 2021, decreasing 1.6672pp. in comparison to June 2020. In the State of Rio Grande do Sul, in June 2021 Banrisul's market share reached 37.6150% in time deposits, decreasing 2.3373 pp. in twelve months, while reaching 12.2733% in saving deposits in the same month, decreasing 0.1650 pp. year-on-year. Demand deposits decreased 0.8523 pp. in twelve months, reaching 23.0164% in June 2021.

Market Share

	Brazil		Rio Grande do Sul	
	Sep 2021 (1)	Sep 2020	Jun 2021 (2)	Jun 2020
Demand Deposits	1.2113%	1.1655%	23.0164%	22.1641%
Saving Deposits	1.1079%	1.0647%	12.2733%	12.4383%
Time Deposits	2.7115%	2.9255%	37.6150%	39.9523%
Credit Operations	0.8739%	0.9494%	17.5150%	19.1822%
Number of Branches	2.8008%	2.6400%	32.0996%	31.4341%

(1) Last information disclosed.
(2) Last information available.

MARGIN ANALYSIS

Financial Intermediation Performance

The presented margin analysis was calculated based on average balances of assets and liabilities, calculated from the closing balances of the months that compose the respective analyzed period. The following chart shows the revenue-generating assets and interest-bearing liabilities, the corresponding financial incomes on assets and financial expenses on liabilities, as well as the effective average rates practiced.

Credit operations include advances on foreign exchange contracts and leasing agreements, which are shown at the current net value of the leasing agreements. Income from credit operations more than 60 days overdue, irrespective of their risk level, will only be booked as revenues when received.

Average balances of interbank investment and funds invested or raised in the interbank market correspond to the redemption amount deducted from the income or expenses corresponding to future periods. Average balances of deposits, open-market funding, borrowings and onlendings include the fees payable till the date of closing of the Financial Statements, booked on a pro rata die basis. As for expenses related to these items, those due on deposits include contributions to the Deposit Guarantee Fund (Fundo Garantidor de Crédito - FGC).

Margins produced by interest-earning assets decreased from 9M2020 to 9M2021. Average interest-earning assets, as well as interest-bearing liabilities grew 14.5%.The absolute margin decreased 3.4% in 9M2021 and the relative annualized margin decreased 0.79 pp. when compared to 9M2020.

Interest-earning assets and interest-bearing liabilities were impacted by the foreign exchange variation, especially in credit operations linked to trade finance transactions, derivatives financial instruments, subordinated debt and foreign onlendings, as well as the reduction of the Selic. Besides the basic interest rates that index transactions in the financial sector, the assets and liabilities structure, as well as the time and interest rate conditions of transactions, are determinant factors in the formation of the margin recorded in each period.

Representing 39.9% of the total average interest-earning assets, credit assets decreased 4.1 pp. from 9MS2020 to 9M2021; treasury operations amounted to 49.0% of interest-earning assets in 9M2021, increasing 6.8 pp. from 9M2020. Compulsory deposits decreased 2.6 pp comparing to 9M2020, reaching 8.8% in 9M2021.

As to interest-bearing liabilities, the average balance of time deposits represented 60.6% of the cost-generating liabilities in 9M2021, decreasing 2.6 pp. from 9M2020. Savings deposits reached 14.9% of the total interest-bearing liabilities in 9M2021, decreasing 0.3 pp. from 9M2020. Among the other interest-bearing liabilities, market funding represented 9.8%, increasing 3.7 pp. from 1S2020. Subordinated debt represented 3.9% in 9M2021, with an decrease of 0.5 pp. compared to 9M2020, an increase motivated by the exchange rate variation and mark to market. Bank notes represented 2.5% of the interest-bearing liabilities in 9M2021, decreasing 2.4 pp. from 9M2020.

All together, these variations decreased spreads, which reached 3.77% in 9M2021.

Margin Analysis - R$ Million and %

	9M2021			9M2020			2020			2019		
	Average Balance	Income Expense	Average Rate	Average Balance	Income Expense	Average Rate	Average Balance	Income Expense	Average Rate	Average Balance	Income Expense	Average Rate
Interest-Earning Assets	**85,791.5**	**5,678.4**	**6.62%**	**74,918.9**	**6,722.6**	**8.97%**	**76,228.3**	**8,233.2**	**10.80%**	**70,212.7**	**9,105.4**	**12.97%**
Loans [1]	34,224.0	4,251.8	12.42%	32,927.9	4,810.4	14.61%	33,186.0	6,311.3	19.02%	31,627.5	6,818.0	21.56%
Securities [2]	42,061.5	1,113.1	2.65%	31,597.6	657.9	2.08%	32,854.9	836.0	2.54%	25,443.9	1,422.7	5.59%
Derivatives	841.6	80.3	9.54%	766.0	1,003.7	131.04%	814.7	782.8	96.09%	81.7	132.1	161.60%
Compulsory Deposits	7,506.9	186.8	2.49%	8,530.5	204.6	2.40%	8,268.3	241.8	2.92%	12,014.8	672.9	5.60%
Other	1,157.5	46.4	4.01%	1,096.9	45.9	4.18%	1,104.4	61.4	5.56%	1,044.7	59.7	5.71%
Non Interest-Earning Assets	**11,549.3**	-	-	**10,411.3**	-	-	**10,642.8**	-	-	**9,059.0**	-	-
Total Assets	**97,340.8**	**5,678.4**	**5.83%**	**85,330.2**	**6,722.6**	**7.88%**	**86,871.2**	**8,233.2**	**9.48%**	**79,271.7**	**9,105.4**	**11.49%**
Interest-Bearing Liabilities	**75,561.4**	**(2,006.1)**	**2.65%**	**66,019.6**	**(2,922.2)**	**4.43%**	**67,116.5**	**(2,970.4)**	**4.43%**	**61,337.2**	**(3,580.4)**	**5.84%**
Interbank Deposits	1,150.4	(10.3)	0.90%	953.4	(19.4)	2.03%	1,098.6	(23.9)	2.18%	257.8	(10.3)	4.01%
Saving Deposits	11,278.0	(242.8)	2.15%	10,056.3	(225.0)	2.24%	10,256.6	(285.5)	2.78%	9,341.5	(419.9)	4.49%
Time Deposits	45,773.7	(1,062.3)	2.32%	41,731.3	(887.6)	2.13%	42,571.5	(1,090.4)	2.56%	38,940.9	(2,102.3)	5.40%
Repurchase Agreements (REPOs)	7,395.7	(216.2)	2.92%	4,012.9	(99.4)	2.48%	4,046.1	(121.9)	3.01%	3,871.0	(252.7)	6.53%
Resources from Bank Notes [3]	1,895.8	(43.4)	2.29%	3,204.3	(75.1)	2.34%	3,040.1	(87.1)	2.86%	3,295.1	(192.3)	5.84%
Subordinated Debt	2,963.9	(210.2)	7.09%	2,902.5	(1,086.4)	37.43%	2,949.3	(885.7)	30.03%	2,211.8	(315.7)	14.27%
Domestic Borrowing and Onlending	1,399.8	(37.3)	2.67%	1,496.0	(43.1)	2.88%	1,492.2	(55.9)	3.74%	1,631.9	(68.2)	4.18%
Foreign Borrowing and Onlending [4]	1,899.7	(133.4)	7.02%	760.7	(460.3)	60.51%	701.2	(387.0)	55.19%	761.7	(147.8)	19.40%
Financial and Development Funds	1,804.3	(50.1)	2.78%	902.2	(25.9)	2.87%	960.9	(33.1)	3.44%	1,025.4	(71.2)	6.94%
Non-Interest-Bearing Liabilities	**13,148.2**	-	-	**11,191.3**	-	-	**11,578.1**	-	-	**10,331.5**	-	-
Shareholders' Equity	**8,631.2**	-	-	**8,119.4**	-	-	**8,176.5**	-	-	**7,603.0**	-	-
Liabilities and Shareholders' Equity	**97,340.8**	**(2,006.1)**	**2.06%**	**85,330.2**	**(2,922.2)**	**3.42%**	**86,871.2**	**(2,970.4)**	**3.42%**	**79,271.7**	**(3,580.4)**	**4.52%**
Spread			**3.77%**			**4.45%**			**6.06%**			**6.97%**
Margin		**3,672.3**	**4.28%**		**3,800.4**	**5.07%**		**5,262.8**	**6.90%**		**5,525.0**	**7.87%**
Annualized Margin			**5.71%**			**6.76%**			**6.90%**			**7.87%**

(1) Includes advances on foreign exchange contracts, leasing operations and other credits with credit granting characteristics.
(2) Includes interbank investments.
(3) Includes financial, real estate bank notes and rural credit.
(4) Includes external funding in the amount of R$1,639.4 million, issued as of January 2021, for the purposes of margin analysis.

VARIATIONS IN INTEREST INCOME AND EXPENSES: VOLUMES AND RATES

The variations in the volume and interest rates were calculated based on the average balances in the period and the variations in the average interest rates, exchange variation included, on interest-earning assets and interest-bearing liabilities. Variation of interest rate was calculated by variation on interest rate in the period multiplied by the average interest-earning assets or average interest-bearing liabilities in the second period. The volume change was computed as the difference between the interest amounts from the current period to the previous one.

The decrease in income (driven by the reduction of average interest rates of interest-earning assets) and the decrease in expenses (driven by the decrease of interest-bearing liabilities average interest rates) reduced margins by R$93.7million. The increase in revenues produced by the variation of the average balance of interest-earning asset, in amounts less expressive than those of the increase in the expenses produced by the variation of the average balance of interest-bearing liabilities, produced an overall decrease of R$34.4 million in financial margin. Altogether, financial margin decreased R$128.1 million from 9M2020 to 9M2021.

The following table presents the allocation of variations in the interest incomes and expenses by the change in average volume of interesting-earning assets and interesting-bearing liabilities and the variation of the average interest rate over these assets and liabilities: (i) 9M2020 to 9M2021, (ii) 2020 vs 2019, (iii) 2019 vs 2018.

Variations in Interest Income and Expenses: Volumes and Rates - R$ Million

	9M2021/9M2020			2020/2019			2019/2018		
	Increase / Decrease According to change in:			Increase / Decrease According to change in:			Increase / Decrease According to change in:		
	Average Volume	Interest Rate	Net Change	Average Volume	Interest Rate	Net Change	Average Volume	Interest Rate	Net Change
Interest-Earning Assets									
Loans, Leasing Operations and Other Receivables	183.4	(742.1)	(558.6)	324.3	(831.1)	(506.8)	506.7	(646.5)	(139.8)
Securities	250.3	204.8	455.2	335.7	(922.4)	(586.7)	49.1	(254.8)	(205.7)
Derivatives	90.3	(1.013.7)	(923.4)	681.5	(30.8)	650.7	194.3	(279.8)	(85.5)
Compulsory Deposits	(25.3)	7.5	(17.8)	(398.1)	(33.1)	(431.2)	14.3	(45.0)	(30.7)
Other	2.1	(1.6)	0.5	3.2	(1.5)	1.7	2.6	12.7	15.3
Total Interest-Earning Assets	**500.8**	**(1,545.0)**	**(1.,44.2)**	**946.7**	**(1.818.9)**	**(872.2)**	**767.0**	**(1.213.4)**	**(446.4)**
Interest-Bearing Liabilities									
Interbank Deposits	(3.4)	12.4	9.0	(15.8)	2.2	(13.6)	(5.6)	1.1	(4.5)
Saving Deposits	(25.8)	8.0	(17.8)	(37.9)	172.2	134.3	(26.9)	26.9	0.0
Time Deposits	(90.0)	(84.7)	(174.7)	(180.5)	1.192.5	1.012.0	(140.4)	155.1	14.7
Repurchase agréments (REPOs)	(96.2)	(20.5)	(116.7)	(11.0)	141.7	130.8	62.9	(9.7)	53.2
Resources from Bank Notes	29.9	1.8	31.7	16.2	89.0	105.2	(56.2)	5.6	(50.6)
Subordinated Debt	(22.5)	898.7	876.2	(132.2)	(437.7)	(569.9)	(43.2)	138.8	95.5
Domestic Borrowings and Onlendings	4.0	1.8	5.8	8.7	3.7	12.3	39.3	45.9	85.2
Foreign Borrowings and Onlendings	(306.1)	633.0	326.8	10.8	(250.0)	(239.2)	14.4	84.0	98.4
Financial and Developmentee Funds	(25.0)	0.8	(24.2)	4.8	33.3	38.1	(7.9)	(3.7)	(11.6)
Total Interest-Bearing Liabilities	**(535.2)**	**1.451.3**	**916.1**	**(337.0)**	**946.9**	**609.9**	**(163.6)**	**443.9**	**280.3**
Margin	**(34.4)**	**(93.7)**	**(128.1)**	**609.7**	**(872.0)**	**(262.3)**	**603.4**	**(769.5)**	**(166.1)**

(1) Derivatives are used by Banrisul to mitigate the risks of exchange rate variations in foreign funding. In this sense, the variations presented must be analyzed as a whole.

ASSET EVOLUTION

TOTAL ASSETS

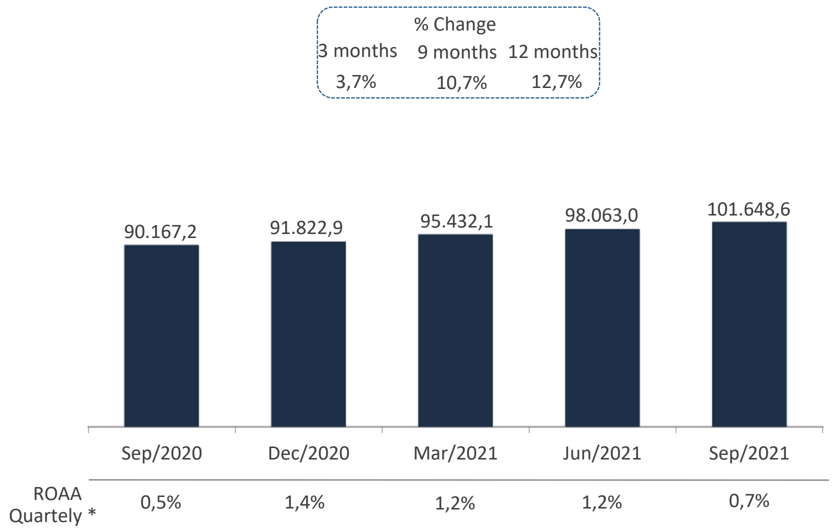
Total assets reached R$101,648.6 million in September 2021, and are divided into (i) securities added to interbank deposits and cash (46.7%); (ii) loans (38.1%) of total assets; (iii) compulsory deposits placed at the Central Bank of Brazil (7.9%) and (iv) other assets (7.3%).

In the last twelve months, total assets grew 12.7% (R$11,481.3 million), mostly from the increase of R$4,742.9 million in deposits, of R$3,516.4 million in repurchase agreements and of R$1,639.9 million in subordinated bond issued as of January 2021, and R$1,394.5 million in financial and development funds. As to asset allocation, the balance of securities, jointly with net interbank investments, increased R$8,016.3 million, and credit portfolio increased R$2,444.1 million and compulsory deposits placed at the Central Bank of Brazil increased R$437.9 million in the period.

From December 2020, total assets increased by 10.7% (R$9,825.7 million), mainly due to the increase of R$4,585.8 million in repurchase agreements, of R$1,639.4 million in external funding, of R$1,214.9 million in financial and development funds and of R$1,962.5 in deposits. As for the allocation, securities increased by R$7,640.7 million, credit portfolio increased by R$1,096.0 million.

In comparison with June 2021, the total assets added up to 3.7% or R$3,585.5 million, especially to the increase in deposits in R$2,229.0 million and million in financial and development funds in R$414.5 million. As for the allocation, the loan portfolio increased R$2,061.7 and the treasury balance showed an increase of R$1,110.1 .

Graph 1: Total Assets - R$ Million



*Annualized and calculated based on Adjusted Net Income.

SECURITIES AND DERIVATIVES

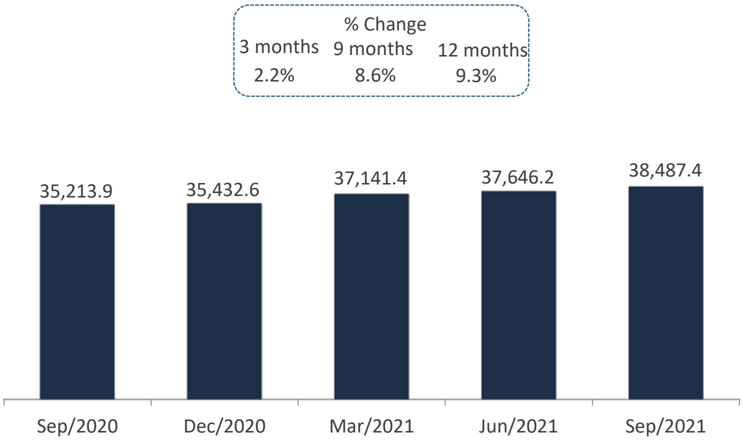
Securities, derivatives, interbank investments and cash, net of repo transactions, totaled R$38,487.4 million in September 2021, increasing 9.3% (R$3,273.5 million) from September 2020 and 8.6% (R$3,054.8 million) from December 2020 and 2.2% (R$841.2 million) from June 2021.

The balance evolution from September 2020 was mainly driven by the increase in deposits, external funding issued as of January 2021 and financial and development funds, in a context of the increase of the credit portfolio and reserve requirements at the Central Bank of Brazil.

From December 2020, the performance reflects particularly the external funding, financial and development funds, in a context of increase of credi assets. In comparison with June 2021, the trajectory came, in particular, from the increase in deposits.

The securities portfolio is distributed as follows: 58.6% (R$27,791.2 million) as “held to maturity”, 17.6% (R$8,347.6 million) as securities held for trading, 18.6% (R$8,800.7 million) as interbank investments, as securities held for trading, 3.45% (R$1,669.9 million) as cash, 1.7% (R$819.9 million) as derivatives and R$6.4 million as “available for sale”, totaling R$47,435.7 million. Federal government bonds account for 92.5% of treasury investments.

Graph 2: Securities and Derivatives(1) - R$ Million

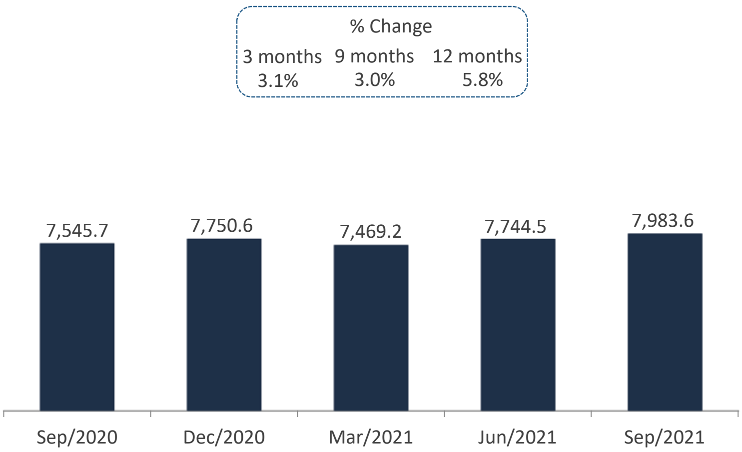


(1) Adding interbank liquidity investments and cash and deducting committed obligations.

COMPULSORY DEPOSITS PLACED AT CENTRAL BANK OF BRAZIL

The balance of compulsory deposits placed at Central Bank of Brazil amounted to R$7,983.6 million in September 2021, increasing 5.8% (R$437.9) since September 2020, 3.0% (R$233.0 million) from December 2020 and increasing 3.1% (R$239.1 million) since June 2021.

Graph 3: Compulsory Deposits placed at Central Bank of Brazil - R$ Million

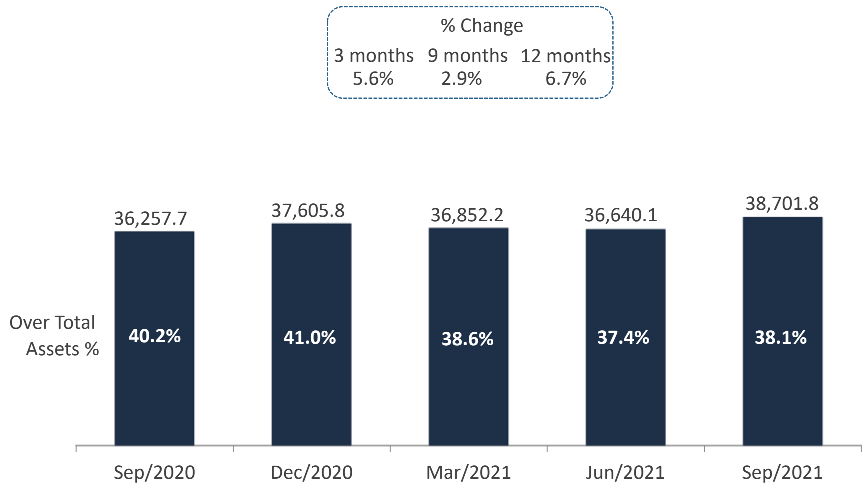


In the period the decrease in compulsory deposits placed at Central Bank of Brazil, was especially influenced by the increase of reserve requirements over time deposits, mostly impacted by the increase in such deposits.

CREDIT OPERATIONS

Banrisul's credit portfolio totaled R$38,701.8 million in September 2021, increasing 6.7% (R$2,444.1 million) over September 2020,of 2.9% (R$1,096.0 million) from December 2020, 5.6% (R$2,061.7 million) from June 2021. Expanded credit portfolio, which includes co-obligations and risks on granted guarantees, reached R$38,993.7 million in September 2021, increasing 6.9% (R$2,523.4 million) from September 2020,3.2% (R$1,192.0 million) from December and 5.8% (R$2,127.9 million) from June 2021.

Graph 4: Credit Operations - R$ Million



In the last twelve months, the increase in the credit balance was mainly driven by the increase in rural loans (R$1,233.2 million) and in non-earmarked credit (R$1,410.8 million), partially offset mainly by the decrease in foreign exchange portfolio (R$33.0 million), in long term credit (R$81.2 million) and in real state financing (R$80.4 million)

In comparison with December 2020, the credit portfolio balance was mainly influenced by the increase in rural loans (R$1,019.9 million).

In comparison with June 2021, the increase of the credit portfolio balance was mainly influenced by the increase in rural credit, by R$1,051.1 million, and in the commercial credit portfolio, by R$897.5 million.

Breakdown of Credit by Company Size

Credit to companies totaled R$9,345.4 million in September 2021, and represented 24.1% of the total loan portfolio. Of the outstanding balance of corporate credit, 55.0% is allocated in credit to micro, small and medium size companies.

In the last twelve months, credit to micro, small and medium-sized companies increased 5.1% (R$249.8 million), with credit to large-sized companies increased 3.9% (R$157.2 million). In the last three months, credit to micro to to large sized companies increased 20.5% (R$714.8 million), and the credi to the small and medium-sized companies increased 3.7% (R$185.6 million).

Breakdown of Credit to Companies by Company Size - R$ Million

	Sep 2021			Jun 2021			Sep 2020			Sep 2021/ Sep 2020	Sep 2021/ Jun 2021
	Balance	% Company Portfolio	% Total Portfolio	Balance	% Company Portfolio	% Total Portfolio	Balance	% Company Portfolio	% Total Portfolio		
Large Companies	4,203.2	45.0%	10.9%	3,488.4	41.3%	9.5%	4.046,0	45.3%	11.2%	3.9%	20.5%
Total Middle/Small/Micro	5,142.2	55.0%	13.3%	4,956.6	58.7%	13.5%	4.892,3	54.7%	13.5%	5.1%	3.7%
Middle Companies	2,919.5	31.2%	7.5%	2,954.9	35.0%	8.1%	2.752,5	30.8%	7.6%	6.1%	-1.2%
Small Companies	1,774.1	19.0%	4.6%	1,605.1	19.0%	4.4%	1.763,2	19.7%	4.9%	0.6%	10.5%
Micro-Companies	448.6	4.8%	1.2%	396.6	4.7%	1.1%	376,7	4.2%	1.0%	19.1%	13.1%
Total Companies	**9,345.4**	**100.0%**	**24.1%**	**8,445.0**	**100.0%**	**23.0%**	**8.938,3**	**100.0%**	**24.7%**	**4.6%**	**10.7%**

Criteria: average monthly revenue (Micro - up to R$30,000; Small - up to R$400,000; Mid-sized - up to R$25 million). For Large companies: average monthly revenue above R$25 million or Total Asset above R$240 million.

Breakdown of Credit by Sector

The balance of credit operations segmented by sector of activity is presented as follows:

Breakdown of Credit by Sector - R$ Million

	Sep 2021	Jun 2021	Mar 2021	Dec 2020	Spt 2020	Sep 2021/ Sep 2020	Sep 2021/ Jun 2021
Public Sector	**102.2**	**102.5**	**103.5**	**103.6**	**101.5**	**0.8%**	**-0.2%**
Public Management - Direct and Indirect	102.2	102.5	103.5	103.6	101.5	0.8%	-0.2%
Private Sector	**38,599.6**	**36,537.6**	**36,748.8**	**37,502.2**	**36,156.2**	**6.8%**	**5.6%**
Corporate	9,243.1	8,342.5	8,475.8	8,952.2	8,836.9	4.6%	10.8%
Agricultural	162.3	249.4	251.6	272.6	159.9	1.5%	-34.9%
Food, beverage and smoke	1,387.9	1,100.5	1,104.0	1,146.4	1,194.7	16.2%	26.1%
Automotive	379.2	358.6	363.0	383.3	352.9	7.4%	5.7%
Pulp, wood and furniture	187.9	156.0	155.8	185.0	202.1	-7.1%	20.4%
Wholesale Food Business	739.4	547.1	562.0	535.0	552.1	33.9%	35.2%
Wholesale Business, except for food	626.6	535.7	539.7	559.9	506.3	23.8%	17.0%
Retail Business - Others	915.8	774.1	748.8	784.3	720.0	27.2%	18.3%
Construction and Real Estate	736.1	760.1	816.8	837.5	817.4	-10.0%	-3.2%
Education, Health and other Social Services	989.6	1,039.3	1,138.1	1,233.6	1,367.6	-27.6%	-4.8%
Electronics and Computing	321.1	287.9	272.1	313.8	312.6	2.7%	11.5%
Financials and Insurance	371.0	316.2	329.6	338.7	349.6	6.1%	17.3%
Machine and Equipment	269.6	261.2	236.1	239.2	216.9	24.3%	3.2%
Metallurgy	250.1	213.3	214.8	230.3	198.3	26.1%	17.3%
Infrastructure Works	42.1	33.6	30.0	31.4	136.2	-69.1%	25.2%
Oil and Natural Gas	348.5	317.0	315.1	355.3	359.0	-2.9%	9.9%
Chemical and Petrochemical	458.1	398.6	406.4	434.1	372.7	22.9%	14.9%
Private Services	250.4	221.1	212.7	219.6	215.1	16.4%	13.3%
Textile, Confections and Leather	231.2	198.5	201.5	234.0	216.3	6.9%	16.4%
Transportation	290.3	296.7	295.6	314.7	286.0	1.5%	-2.2%
Others	286.1	277.6	281.9	303.5	300.9	-4.9%	3.1%
Individuals	29,356.4	28,195.1	28,273.0	28,550.0	27,319.4	7.5%	4.1%
Total	**38,701.8**	**36,640.1**	**36,852.2**	**37,605.8**	**36,257.7**	**6.7%**	**5.6%**

Breakdown of Credit by Portfolio

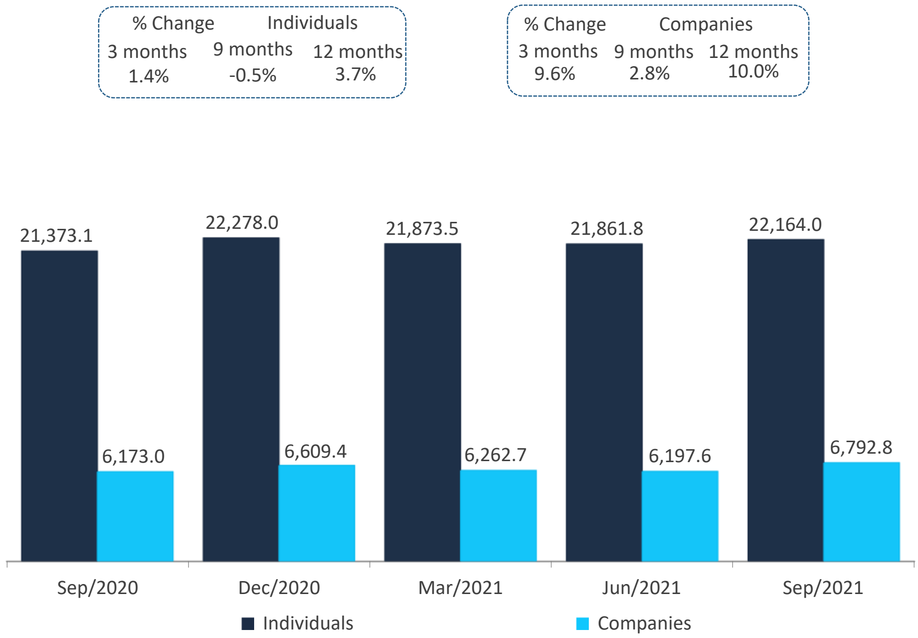
The breakdown of credit by portfolio presents both earmarked and non-earmarked loan assets. The non-earmarked portfolio, leasing and public sector are freely funded from time deposits and equity and comprised 75.1% of the total credit portfolio in September 2021. Development credit lines (long-term finance), agricultural, real estate finance and foreign exchange portfolios, which have specific funding sources and are used for mandatory credit allocation, represented 24.9% of total credit balance in September 2021.

Breakdown of Credit by Portfolio - R$ Million

	Sep 2021	Jun 2021	Mar 2021	Dec 2020	Spt 2020	Sep 2021/ Sep 2020	Sep 2021/ Jun 2021
Private Sector	**38,599.6**	**36,537.6**	**36,748.8**	**37,502.2**	**36,156.2**	**6.8%**	**5.6%**
Commercial	28,956.9	28,059.4	28,136.2	28,887.4	27,546.1	5.1%	3.2%
Individuals	22,164.0	21,861.8	21,873.5	22,278.0	21,373.1	3.7%	1.4%
Companies	6,792.8	6,197.6	6,262.7	6,609.4	6,173.0	10.0%	9.6%
Real Estate	4,042.5	4,077.6	4,104.9	4,125.6	4,122.9	-2.0%	-0.9%
Rural	4,412.1	3,361.0	3,459.3	3,392.2	3,178.9	38.8%	31.3%
Long Term Financing	535.3	506.9	530.2	569.1	616.4	-13.2%	5.6%
Foreign Exchange	639.6	518.7	502.4	510.4	672.7	-4.9%	23.3%
Leasing	13.1	14.1	15.7	17.6	19.2	-31.5%	-6.5%
Public Sector	**102.2**	**102.5**	**103.5**	**103.6**	**101.5**	**0.8%**	**-0.2%**
Total of Credit-like Transactions	**38,701.8**	**36,640.1**	**36,852.2**	**37,605.8**	**36,257.7**	**6.7%**	**5.6%**
Co-obligation, sureties and guarantees	291.9	225.7	192.3	195.9	212.6	37.3%	29.3%
Total	**38,993.7**	**36,865.8**	**37,044.6**	**37,801.7**	**36,470.3**	**6.9%**	**5.8%**

Making up 74.8% of Banrisul's total loan book, the balance of non-earmarked credit portfolio at the end of September 2021 reached R$28,956.9 million. Within the non-earmarked credit portfolio, credit to individuals corresponded to 76.5% of the balance of the non-earmarked portfolio and to 57.3% of the total loan book in September 2021. Credit to companies represented 23.5% of the balance of non-earmarked credit and 17.6% of the total stock of credit in the same month.

Graph 5: Non-earmarked Credit Portfolio Evolution - Individuals and Companies - R$ Million



Real estate finance totaled R$4,042.5 million in September 2021, decreasing 2.0% (R$80.4 million) from September 2020 and 2.0% (R$83.0 million) from December 2020, relatively stable, decreasing R$35.1 million from June 2021. Real estate finance lines represented 10.5% of the Bank's total credit portfolio in September 2021, including R$10.4 million related to an operation involving the sale of credit with recourse.

Rural loans totaled R$4,412.1 million in September 2021, increasing 38.8% (R$1,233.2 million) from September 2020, 30.1% (R$1,019.9 million) from December 2020 and 31.3% (R$1,015.1 million) from June 2021. Rural loans represented 11.4% of the loan portfolio in September 2021.

Long-term finance totaled R$535.3 million in September 2021, with decreases of 13.2% (R$81.2 million) from September 2020 and of 5.9% (R$33.8 million) from December 2020 and increase of 5.6% (R$28.4 million) from June 2021.

Foreign exchange portfolio totaled R$639.6 million in September 2021, decreasing 4.9% (R$33.0 million) from September 2020 and increasing 25.3% (R$129.2 million) from December 2020 and 23.3% (R$120.9 million) from June 2021.

Non-earmarked Credit

Composed by lower risk credit portfolios, non-earmarked credit to individuals reached R$22,164.0 million in September 2021, increasing 3.7% (R$790.9 million) from September 2020 and relatively stable, decreasing R$113.9 million from December 2020, increasing 1.4% (R$302.3 million) from June 2021. The non-earmarked portfolio is manly composed by payroll loans, which totaled R$17,557.3 million in September 2021, accounting for 79.2% of the non-direct lending to individuals and for 60.6% of the total non-earmarked portfolio. From the total amount of payroll loans, 64.7% (R$11,358.4 million) are credit operations originated at Banrisul's network, 35.0% (R$6,138.2 million) are credit operations originated at banking correspondents and 0.3% (R$60.7 million) are credit operations acquired with recourse.

Composition of Non-Earmarked Credit - Individuals and Companies - R$ Million

	Sep 2021	Jun 2021	Mar 2021	Dec 2020	Spt 2020	Sep 2021/ Sep 2020	Sep 2021/ Jun 2021
Individuals	**22,164.0**	**21,861.8**	**21,873.5**	**22,278.0**	**21,373.1**	**3.7%**	**1.4%**
Credit and Debit Card (1)	2,194.8	2,128.0	2,021.6	2,194.6	1,969.5	11.4%	3.1%
Overdraft	410.1	385.1	424.7	349.8	397.2	3.2%	6.5%
Payroll Loans	17,557.3	17,148.4	16,943.5	17,057.1	16,892.4	3.9%	2.4%
Non Payroll Personal Loans	1,130.0	1,362.5	1,640.9	1,842.5	1,286.8	-12.2%	-17.1%
Other	871.8	837.8	842.8	834.0	827.1	5.4%	4.1%
Companies	**6,792.8**	**6,197.6**	**6,262.7**	**6,609.4**	**6,173.0**	**10.0%**	**9.6%**
Credit and Debit Cards (1)	135.8	134.3	132.0	147.0	141.8	-4.2%	1.1%
Working Capital	5,073.2	4,563.7	4,527.8	4,873.7	4,493.0	12.9%	11.2%
Debtor Accounts	321.0	333.0	352.3	294.1	346.0	-7.2%	-3.6%
Compror/Vendor	7.8	9.1	18.7	13.2	12.2	-36.2%	-14.1%
Foreign Credit	138.0	48.6	89.5	98.6	112.8	22.4%	184.0%
Debt Instruments Discount	43.3	40.1	53.3	64.2	58.7	-26.2%	8.0%
Other	1,073.7	1,068.7	1,089.1	1,118.5	1,008.5	6.5%	0.5%
Total	**28,956.9**	**28,059.4**	**28,136.2**	**28,887.4**	**27,546.1**	**5.1%**	**3.2%**

(1) Of the R$2,330.6 million balance, R$313.5 million refers to revolving credit card lines.

The trend on the non-earmarked credit portfolio for individuals in twelve months was manly influenced by the increase of R$664.9 million in payroll loans, especially state payroll loans and debid and credit card of R$225.3 million, partially offset by the decrease of R$156.8 million in non-earmarked credit, facing specially the credit line anticipation of salary.

From December 2020, stable in non-earmarked credit came, mostly, from the decrease in personal loans (R$712.5 million), specially the payroll anticipation of R$500.2 million, mainly state payroll loans and overdraft of R$60.4 million.

Compared to June 2021, the trajectory of the individual commercial portfolio reflected the increase in payroll-deductible loans, at R$408.9 million, specially by the increase in payroll-deductible loans and credit and debit card at R$66.8 million, partially offset by the decrease in personal credit, of R$232.5 million.

Non-earmarked credit to companies reached R$6,792.8 million in September 2021, increasing 10.0% (R$619.8 million) from September 2020, mostly driven by the increase of R$580.2 million in working capital lines, in particularly as relief credit granted in programs such as Pronampe, PEAC and FIG which reached R$2,168.3 million.

From December 2020 to September 2021, non-earmarked credit to companies increased 2.8% (R$183.4 million), mainly influenced by the increase of R$199.5 million in working capital lines, specially to the emergency programs with access to credit, to credit abroad of R$39.4 million, and debit accounts of R$27,0 million, partially offset by the decrease of R$85.3 million in reduction of renegotiation balance. From June 2021, non-earmarked credit to companies increase 9.6% (R$595.2 million), specially by the increase of R$509.2 million in working capital lines.

Breakdown of Credit Disbursement

Total credit grant reached R$30,815.2 million in 9M2021, decreasing 11.5% (R$4,019.0 million) in comparison to 9M2020. In the 3Q2021 the total grant reached R$12,625.7, decreasing 2.8% (R$367.0 million) from 3Q2020 and increasing 26.7% (R$2,663.9 million) from 2Q2021.

From 9M2020 to 9M2021, the decrease in credit concessions was mainly due to the decrease of R$281.7 million in non-earmarked credit, offset by of R$924.9 million in credit concessions in rural loans volume, of R$217.9 million in real state credit and of R$141.9 million in foreign exchange.

Year on year, the decrease in the volume of credit granted in 3Q2021 came mainly from the decrease of R$ 1,456.2 million in the volume of non earmarked loans concessions, partially compensated by of R$769.1 million in rural credit volume, of R$234.9 million in exchange rate and of R$74.5 million in real state credit.

From 2Q2021, the increase in the volume of credit granted in 3Q2021 came mainly from the increase of R$1,378.4 million in the volume of non earmarked loans concessions and R$1,082.3 million in rural credit.

Composition of Credit Grant Volumes by Credit Products - R$ Million

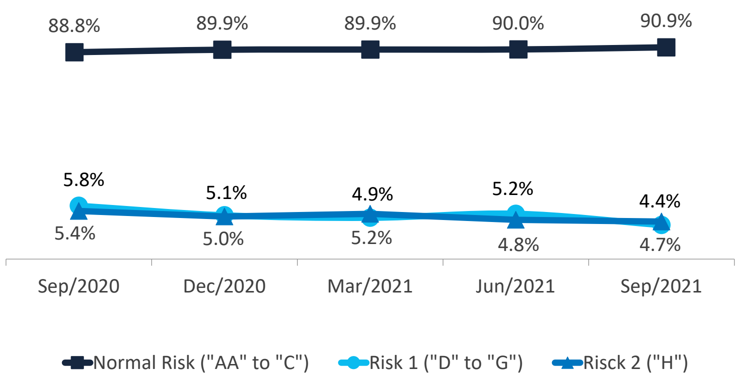
	9M2021	9M2020	3Q2021	2Q2021	1Q2021	4Q2020	3Q2020	9M2021/ 9M2020	3Q2021/ 2Q2021
Foreign Exchange	864.4	722.5	407.3	209.8	247.3	135.0	172.4	19.6%	94.1%
Non-earmarked (1)	26,082.9	31,364.6	10,139.2	8,760.8	7,183.0	10,261.0	11,595.3	-16.8%	15.7%
Individuals	18,522.8	22,604.6	7,220.1	6,148.0	5,154.7	7,272.5	8,612.9	-18.1%	17.4%
Companies	7,560.1	8,760.0	2,919.1	2,612.8	2,028.2	2,988.6	2,982.4	-13.7%	11.7%
Leasing	0.0	1.2	0.0	-	-	-	0.1	-97.0%	-
Long-term Financing	165.1	186.0	50.1	64.1	50.9	44.5	39.4	-11.2%	-21.9%
Real Estate	688.9	471.0	245.2	225.4	218.3	220.9	170.7	46.3%	8.8%
Agricultural	3,013.8	2,088.9	1,783.9	701.6	528.3	689.0	1,014.8	44.3%	154.2%
Total	**30,815.2**	**34,834.3**	**12,625.7**	**9,961.8**	**8,227.7**	**11,350.5**	**12,992.7**	**-11.5%**	**26.7%**

1) Credit grant does not include receivables from credit and debit cards.

Breakdown of Credit by Rating

Normal credit risk operations, rated from AA to C according to the Resolution No. 2682/99 of the National Monetary Council, accounted for 90.9% of the credit portfolio in September 2021, increasing 2.1 pp. from September 2020 and 0.1 pp. from December 2020 and 0.9 pp. from June 2021.

Graph 6: Credit Portfolio by Risk Levels (%)



Allowance for Loan Losses

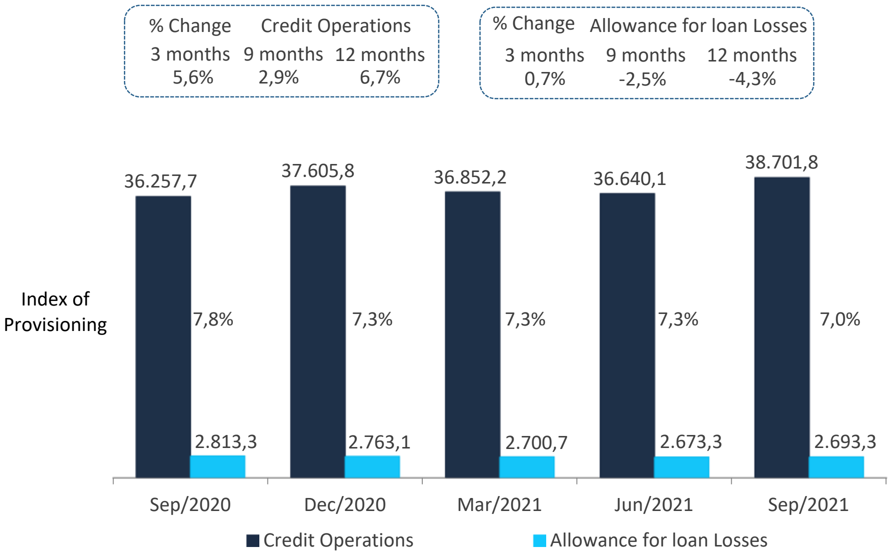
Representing 7.0% of the loan portfolio, allowance for loan losses totaled R$2,693.3 million in September 2021, decreasing 0.8 pp. from September 2020, 0.3 pp. from December 2020 and from June 2021.

Allowance for loan losses decreased 4.3% (R$120.0 million) from September 2020, reflecting the rolling over of the portfolio by risk rating on account of the current economic scenario, and the decrease in overdue loans, in a context of loan portfolio increase.

In comparison with December 2020, the balance of provision for credit losses decreased 2.5% (R$69.8 million), reflecting the rollover of the portfolio by rating levels.

Compared to June 2021, the balance of provision for loan losses stable, increasing R$20.0 million, reflecting the rollover of the portfolio by rating levels, increase of overdue loans and the credit portfolio.

Graph 7: Breakdown of Allowance for Loan Losses - R$ Million



The breakdown of the allowance for loan losses in June 2021, as per Resolution No. 2682/99 of the CMN, was as follows:

(i) R$751.4 million for operations with installments 60 days overdue;

(ii) R$1,941.9 million for contracts due or less than 60 days overdue.

Balance of Allowance for Loan Losses - R$ Million

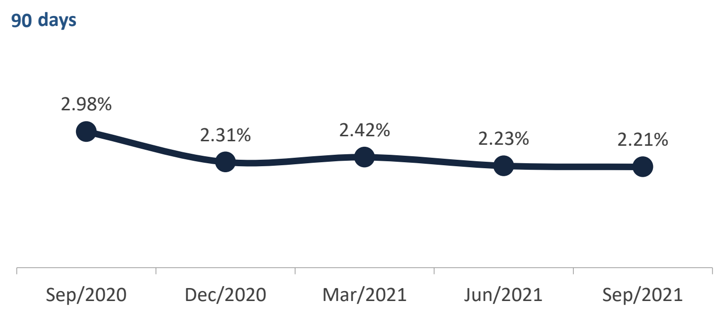
Risk Levels	Required Provision %	Portfolio	Relative Accumulated Share %	Past Due Credits	Receivable Credits	Minimum Provision		Total Provision	Provision Over Portfolio %
						Past Due	Receivables		
AA	-	4,216.3	10.89%	-	4,216.3	-	-	-	0.00%
A	0.5%	20,856.1	64.78%	-	20,856.1	-	104.3	104.3	0.50%
B	1.0%	8,630.9	87.08%	-	8,630.9	-	86.3	86.3	1.00%
C	3.0%	1,478.0	90.90%	43.6	1,434.4	1.3	43.0	44.3	3.00%
D	10.0%	677.8	92.65%	59.5	618.3	5.9	61.8	67.8	10.00%
E	30.0%	254.4	93.31%	71.4	183.0	21.4	54.9	76.3	30.00%
F	50.0%	200.1	93.83%	72.7	127.4	36.4	63.7	100.1	50.00%
G	70.0%	580.2	95.33%	165.7	414.6	116.0	290.2	406.2	70.00%
H	100.0%	1,808.0	100.00%	570.4	1,237.6	570.4	1,237.6	1,808.0	100.00%
Total		**38,701.8**		**983.2**	**37,718.6**	**751.4**	**1,941.9**	**2,693.3**	**6.96%**

Default Rate

The default rate is the amount of credit operations overdue by more than 90 days in relation to the total amount of active credit operations.

NPLs above 90 days reached 2.21% of the loan book in September 2021, decreasing 0.77 pp. in twelve months and 0.10 pp. from December 2020, and 0.02 pp. from June 2021. 90 day plus overdue loans totaled R$854.1 million in September 2021, decreasing 20.9% (R$226.1 million) from September 2020 and 1.8% (R$15.62 million) from December 2020, and increase of 4.7% (R$38.6 million) from June 2021.

Graph 8: Default Rate

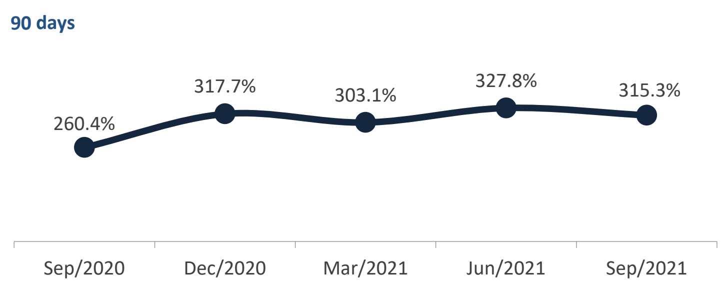


Coverage Ratio

The coverage ratio, the percentage between the allowance for loan losses and the balance of operations 90 days overdue over, shows the capacity to cover defaults with provisions and remains at comfortable levels.

In September 2021, coverage ratio for 90-day overdue transactions reached 315.3%. The increase in the coverage ratio for 90-day in comparison to September 2020, reflects the decrease in overdue loans greater than the decrease in the balance of allowance for loan losses. In relation to December 2020, the decrease in the coverage ratio reflects the decrease in the balance of provisions for credit losses in a greater volume than the retraction of credit operations in arrears. The reduction in the indicator compared to June 2021 reflects the increase in overdue credits and the relative stability in the balance of allowance for loan losses.

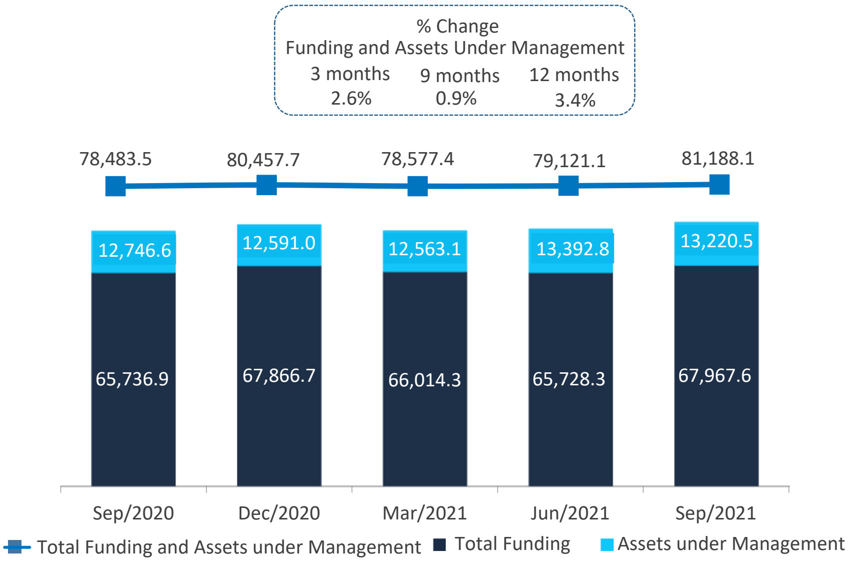
Graph 1: Coverage Ratio



Funding and Assets Under Management

Consisting of deposits, bank notes and subordinated bond, funding and assets under management totaled R$81,188.1 million in September 2021, an increase of 3.4% (R$2,704.6 million) from September 2020, stable increasing R$730.4 million from December 2020, increasing 2.6 % (R$2,067.0 million) from June 2021.

Graph 20: Funds Raised and Under Management - R$ Million



The increase from September 2020 was mostly influenced by the increase of deposits, partially offset by the decrease in resources from bank notes. From December 2020, the trajectory of the funds raised and under management was mostly influenced by the increase in deposits, funds raised and under management, minimized by the decrease of bank notes. From June 2021, mostly influenced by the increase of total deposits, partially offset by the increase of funds raised and under management.

Funding Composition per Product- R$ Million

	Sep 2021	Jun 2021	Mar 2021	Dec 2020	Sep 2020	Sep 2021/ Sep 2020	Sep 2021/ Jun 2021
Total Deposits	63,409.0	61,180.0	60,966.5	62,446.5	59,892.7	5.9%	3.6%
Demand Deposits	4,014.0	3,768.2	3,580.4	4,289.1	3,476.3	15.5%	6.5%
Saving Deposits	11,527.0	11,416.6	11,110.9	11,065.6	10,705.2	7.7%	1.0%
Interbank Deposits	1,357.6	123.4	1,183.9	1,478.8	1,196.2	13.5%	1,000.1%
Time Deposits	46,495.1	45,855.5	45,076.3	45,599.6	44,502.9	4.5%	1.4%
Other Deposits	15.3	16.3	15.1	13.4	12.1	27.1%	-6.0%
Resources from Notes (1)	1,606.9	1,742.5	1,919.8	2,440.5	2,663.9	-39.7%	-7.8%
Subordinated Debt	2,951.7	2,805.7	3,127.9	2,979.6	3,180.3	-7.2%	5.2%
Total Funding	**67,967.6**	**65,728.3**	**66,014.3**	**67,866.7**	**65,736.9**	**3.4%**	**3.4%**
Assets Under Management	13,220.5	13,392.8	12,563.1	12,591.0	12,746.6	3.7%	-1.3%
Total Funding and Assets Under Management	**81,188.1**	**79,121.1**	**78,577.4**	**80,457.7**	**78,483.5**	**3.4%**	**2.6%**

(1) Bank Notes, Real Estate Notes and Rural Notes.

Total Deposits

Total deposits reached R$63,409.0 million in September 2021, increasing 5.9% (R$3,516.4 million) from September 2020, mainly driven by the increase in time and demand deposits and savings. From December 2020, increasing 1.5% (R$962.5 miliion), mainly due to the decrease of time and demand deposits, partially offset by the decrease of demand and interbank deposits. Comparing June 2021, increasing 3.6% (R$2,229.0 million), due to the increase of demandand interbank deposits.

Time Deposits

Banrisul’s main funding vehicle, time deposits totaled R$46,495.1 million in September 2021, increasing 4.5% (R$1,992.2 million) from September 2020, 2.0% (R$895.5 million) from December 2020 and 1.4% (R$639.9 million) from June 2021.

Demand Deposits

In September 2021, demand deposits reached R$4,014.0 million, increasing 15.5% (R$537.7 million) from September 2020, decreasing 16.4% (R$275.1 million) from December 2020 and increasing 6.5% (R$245.8 million) from Juneh 2021.

Saving Deposits

Savings deposits totaled R$11,527.0 million in September 2021, increasing 7.7% (R$821.8 million) from September 2020, 4.2% (R$461.4 million) from December 2020 and 1.0% (R$110.4 million) from June 2021.

Resources from Notes

Bank, real estate and agro notes reached R$1,606.9 million in September 2021, decreasing 39.7% (R$1,057.0 million) from September 2020, 34.2% (R$833.6 million) from December 2020 and 7.8% (R$135.6 million) from June 2021.

In August 2021, Banrisul began raising funds through the Agribusiness Letter of Credit - LCA, with the objective of diversifying its sources of resources and generating funding for rural credit. For individual customers, LCA provides a new alternative of financial investment with income tax-free profitability. In September 2021, the amount raised totaled R$128.5 million.

Subordinated Bond

The subordinate bond amounted to R$2,951.7 million in September2021, decreasing 7.2% (R$228.6 million) from September 2020, stable decreasing R$28.0 million from December 2020 and increasing 5.2% (R$145.9 million) from June 2021 due to mark-to market and the exchange rate variation in those periods.

On January 28, 2021, Banrisul issued new subordinated debt (Tier II) in the amount of US$300 million (three hundred million dollars) with annual interest of 5.375%, for a 10-year term, with a repurchase option in 5 years, according to conditions previously agreed in the Offering Memorandum. This debt was authorized for Tier II Capital Subordination on October 25, 2021.

The balance of this issuance is recorded under Obligations from Loans Abroad.

SHAREHOLDERS' EQUITY

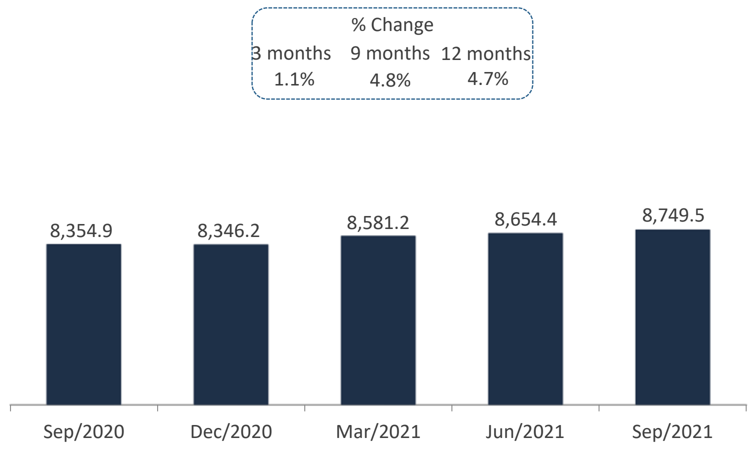
Banrisul's shareholders' equity reached R$8,749.5 million at the end of September 2021, an increase of 4.7% (R$394.6 million) from September 2020 and 4.8% (R$403.3 million) from December 2020, increasing 1.1% (R$95.1 million) from June 2021.

From September 2020, the evolution of shareholders' equity results from incorporating net income (after the payment/provision of interest and dividends on equity), the reassessment of R$104.0 million in actuarial liabilities, in December 2020, related to post-employment benefits (pursuant the Committee of Accounting Pronouncement 33-R1) and the adjustments of R$20.5 million in equity participation in subsidiaries abroad impacted by foreign exchange rates.

In comparison to December 2020, the stability of shareholder's equity reflects, mostly, the incorporation of results, the payment of interest and dividends on equity, and the adjustments of R$24.8 million in equity participation in subsidiaries abroad impacted by foreign exchange rates.

Compared to June 2021, the increase in PL mainly reflects the incorporation of the results generated, the payments of interest on equity and the exchange variation adjustments on the equity of foreign branches at R$44.7 million.

Graph 31: Shareholders' Equity - R$ Million

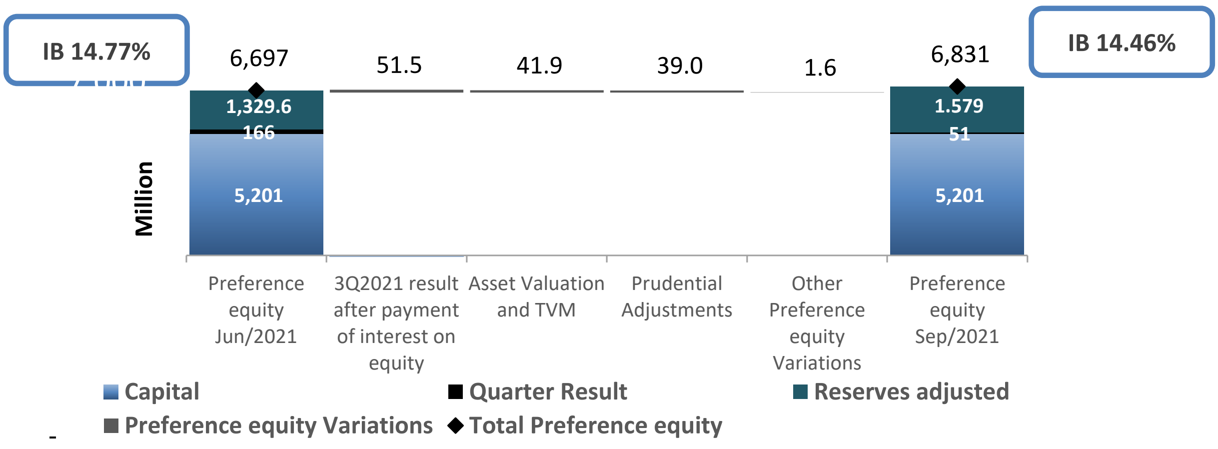


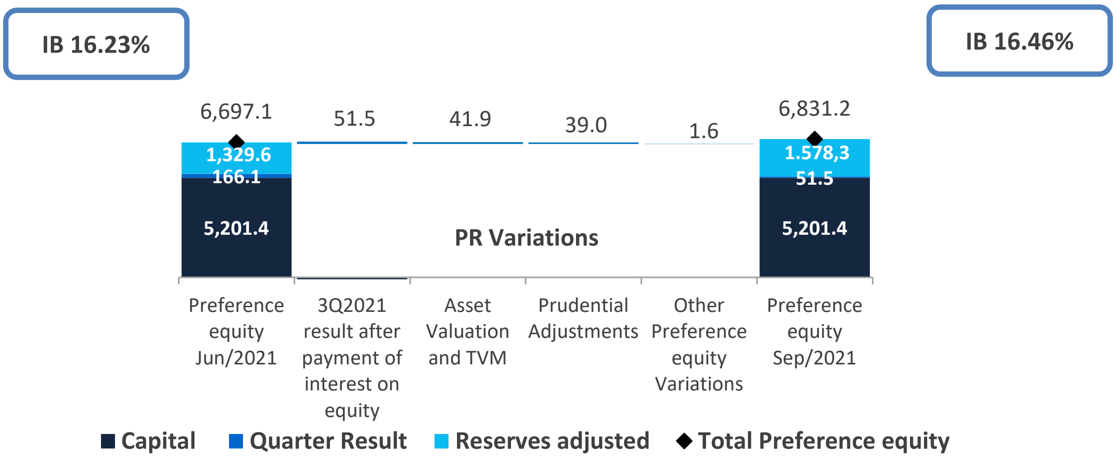
Basel Ratio

The CMN Resolutions No. 4192/13 and No. 4193/13, say that the assessment of Regulatory Capital and Risk-Weighted Assets is done over the Prudential Conglomerate. The Basel Index measures the ratio between the sum of Tier I Capital - CNI and Tier II Capital - CNII and the total risk-weighted assets calculated for the base date. The maintenance of Capital Ratios above the levels defined by the regulator seeks to protect Banrisul in case of stress events.

Capital Management seeks to leverage the application of available resources, in addition to ensuring the Institution's solvency. The Basel Ratio and PR variations in the quarterly and annual comparison are presented below.

Graph 42: Basel Ratio





Banrisul's PR in September 2021 is composed only of Tier I Capital, as shown in the chart above. The PR variation compared to June 2021 was R$134.1 million.

On September 30, 2021, the Basel Ratio reached 14.46%, 4.84 pp. above the minimum regulatory level with additional principal capital (9.625%). For this same period, the Core Capital Ratio and the Tier I Ratio are equal to the Basel Ratio, being, respectively, 8.34 pp. and 6.84 pp. above the regulatory minimum.

EVOLUTION OF INCOME STATEMENT ACCOUNTS

NET INCOME

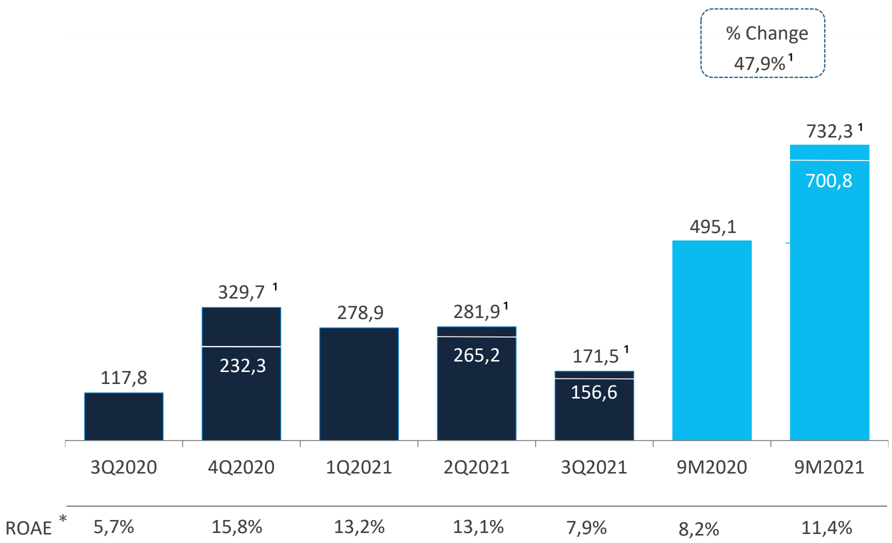
Reported net income in 9M2021 reached R$700.8 million, increasing 41.5% (R$205.6 million) from 9M2020. It was mainly driven by the adjustment of the provision for tax contingencies and the update of the installments to be realized of deferred tax credits and debts, due to the enactment of Law 14,183/21, which increases from 20% to 25% of the Social Contribution rate on the Net Income of the financial sector, in the period from July 1, 2021 to December 31, 2021; this increase in the rate impacted tax credits and debts on temporary differences existing in deferred taxes, as of June 2021, which will take place until December 2021. Also, in 4Q2020, net income was impacted by R$97.3 million by Voluntary Termination Program net of tax effects. All these events were treated, for the purpose of analyzing results, as non-recurring.

Reported adjusted net income in 9M2021 reached R$732.3 million, increasing 47.9% (R$237.2 million) from 9M2020. It was mainly driven by lower allowance for loan loss expenses (R$468.1 million), lower financial margin (R$128.1 million), bigger services and bank fees incomes (R$22.4 million), increase in other adjusted expense and income (R$100.8 million) and higher taxes on profit (R$35.3 million).

In comparison to the net income in 3Q2020, adjusted net income in 3Q2021 increased 45.6% (R$53.7 million), mainly due to the lower allowance for loan loss expenses (R$34.9 million), lower financial margin (R$23.7 million), increased adjusted administrative expenses (R$25.1 million), increase in n service revenues and bank fees (R$23.6 million), increased other expenses net of other income (R$6.7 million) and decrease taxes on profit (R$53.2 million).

In comparison to the net income for 2Q2021, adjusted net income for 3Q2021 decreased 39.2% or R$110.4 million; influenced by the bigger allowance for loan loss expenses of R$66.7 million, decrease in the financial margin of R$33.3 million, increase of banking fess of R$13.4 million, increase of administratrive expenses of R$42.4 million, increase of expenses net of other income of R$80.2 million and by the lower volume of income taxes of R$90.0 million.

Graph 13: Net Income - R$ Million



[1] Adjusted Net Income.
*Annualized and calculated based on Adjusted Net

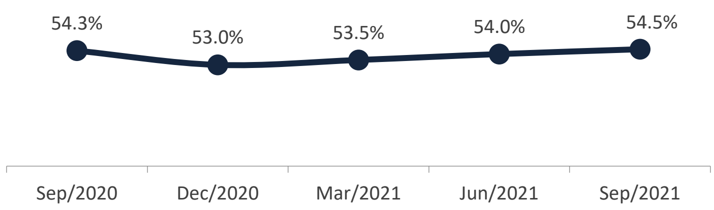
Return on Average Shareholders' Equity

Annualized adjusted return on average shareholders' equity reached 11.4% in 9M2021, 3.2 pp. above 9M2020, in an environment that combined: (i) decreasing expenses for allowance for loan losses; (ii) decreasing financial margins; (iii) increasing net interest income and banking fees and (iv) increasing other adjusted expenses.

Efficiency Ratio

The efficiency ratio reached 54.5% in the accumulated twelve months up to September 2021, from 54.3% in the accumulated twelve moths up to September 2020. The unfavorable trend of efficiency ratio reflects the decrease in adjusted administrative expenses in lower proportion than the decrease of net interest income and banking fees and the increase in other adjusted expenses net.

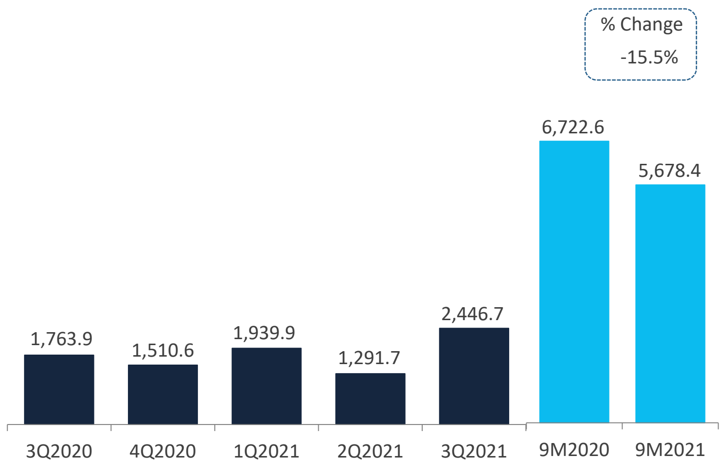
Graph 54: Adjusted Efficiency Ratio



FINANCIAL INCOME

Financial income reached R$5,678.4 million in 9M2021, decreasing 15.5% (R$1,044.2 million) from 9M2020, increasing 38.7% (R$682.9 million) from 3Q2020 and decreasing 89.4+% (R$1,155.0 million) from 2Q2021. The trend of the Selic Rate and the exchange variation influenced financial intermediation revenues in those periods.

Graph 15: Financial Income - R$ Million



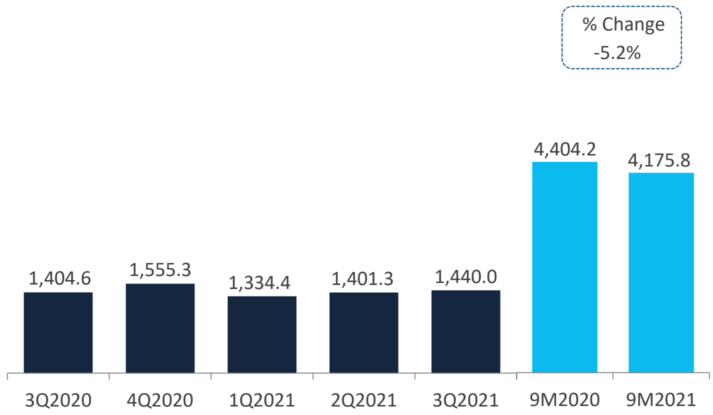
From 9M2020 to 9M2021, the trend in revenues from financial intermediation was mainly influenced by the decreases in revenues from securities and derivatives (R$468.5 million), in revenues from credit operations (R$330.3 million), and in foreign exchange income (R$228.4 million).

From 3Q2020 to 2Q2021, the increase in revenues from financial intermediation was mostly influenced by the increase of R$630.2 and R$987.8 million in revenues from securities and derivatives respectively.

Revenues from Credit Operations

Revenues from credit operations, including revenues from leases and other credits, totaled R$4,175.8 million in 9M2021. In 3Q2021 totaled R$1,440.0 million, increasing 5.2% (R$228.4 million) from 9M2020, increasing 2.5% (R$35.5 million) from 3Q2020 and 2.8% (38.7 million) from 2Q2021.

Graph 66: Revenues from Credit Operations - R$ Million



The trend of revenues from credit operations from 9M2020 to 9M2021 was mainly driven by the decrease of R$310.9 million in revenues from non-earmarked credit, and of revenues of long term credit in R$61.9 million, due to foreign exchange loans, partially offset by the increase of R$141.0 million in foreign exchange loans.

Compared to 3Q2021, the growth in credit revenue in 3Q2021 was mainly due to the increase in revenue from the recovery of credits written off to loss, by R$67.9 million, a movement offset, especially by the retraction in revenue from commercial credit, by R$33.7 million.

From 2Q2021 the growth in credit revenue was mainly due to the long-term financing, by R$20.6 million, mainly due to the revenue from financing in foreign currency, impacted by the exchange rate variation in the period, write off recoveries by R$9.2 million and commercial credit by R$9.1 million.

Revenues from Non-Earmarked Credit - Individuals and Companies

In 9M2021, total non-earmarked credit revenues reached R$3,414.0 million, decreasing 8.3% (R$310.9 million) from 9M2020. In 3Q2021 total non-earmarked credit revenues reached R$1,148.9 million, decreasing 2.8% (R$33.7 million) from 3Q2021 and stable, increase R$9.1 million from 2Q2021.

Revenues from Non-Earmarked Credit - Individuals and Companies - R$ Million

	9M2021	9M2020	3Q2021	2Q2021	1Q2021	4Q2020	3Q2020	9M2021/ 9M2020
Individuals	**2,876.8**	**3,109.4**	**950.5**	**963.3**	**963.1**	**965.9**	**1,003.3**	**-7.5%**
Credit Card (1)	126.5	132.1	41.3	43.8	41.4	36.8	38.1	-4.2%
Overdraft	302.9	326.7	99.4	103.3	100.2	93.5	98.5	-7.3%
Payroll Loan	2,025.8	2,131.1	676.5	674.5	674.8	696.6	708.9	-4.9%
Non Payroll Loan - Personal Credit	318.0	411.4	98.1	107.3	112.6	104.1	121.5	-22.7%
Other	103.6	108.1	35.1	34.4	34.1	35.0	36.3	-4.2%
Companies	**537.2**	**615.5**	**198.4**	**176.5**	**162.3**	**164.7**	**179.3**	**-12.7%**
Credit Card (1)	5.0	7.4	1.5	1.8	1.7	1.4	1.8	-31.6%
Working Capital	326.8	337.0	131.2	106.4	89.2	95.7	103.6	-3.0%
Debtor Accounts	130.4	178.3	40.0	44.6	45.8	41.1	46.6	-26.9%
Compror/Vendor	1.0	1.3	0.3	0.4	0.3	0.4	0.3	-19.6%
Foreign Credit	1.8	4.2	0.4	0.5	0.8	0.9	1.2	-57.6%
Discount of Receivables	8.3	17.3	2.8	2.5	3.1	3.5	3.7	-51.7%
Other	63.8	70.1	22.1	20.3	21.3	21.7	22.1	-8.9%
Total	**3,414.0**	**3,724.9**	**1,148.9**	**1,139.8**	**1,125.3**	**1,130.7**	**1,182.6**	**-8.3%**

(1) Refers to credit card revolving revenues.

Revenues from non-earmarked credit to individuals amounted to 84.3% of total non-earmarked credit revenues in 9M2021 and decreased 7.5% (R$232.6 million) from 9M2020. In 3Q2021 revenues from non-earmarked credit to individuals amounted R$950.5 million, decreasing 5.3% (R$52.8 million) from 3Q2020 and 1.3% (R$12.8 million) from2Q2021.

From 9M2020 to 9M2021 and from 3Q2021 and 3Q2020, the decrease in revenues from non-earmarked credit to individuals were mainly driven by the decrease of R$105.4 and R$32.4 million in revenues from payroll loans and of R$93.4 and R$23.4 million in revenues from personal loans. In comparison to 2Q2021, the decrease of revenues from non-earmarked credit to individuals came, mostly, from the decrease of overdraft accounts of R$9.2 million, partially offset by the increase of R$2.0 million in in revenues from payroll loans.

Revenues from non-earmarked credit to companies reached R$537.2 million in 9M2021, decreasing 12.7% (R$78.3 million) from 9M2020, especially due to the decrease of R$10.2 million in revenues from working capital lines and of R$8.9 million in receivables discount. From 3Q2020, revenues from non-earmarked credit to companies increased 10.7% (R$19.1 million), mostly due the decrease of R$6.6 million in debtor accounts andreceivables discount of R$0.9 million. From 2Q2021, revenues from non-earmarked credit to companies increased 12.4% (R$21.9 million), partially offset by the increase of R$24.7 million in working capital line income, minimized by the decrease of R$4.5 million in debtor accounts.

Monthly Average Non-Earmarked Credit Rates - Individuals and Companies

	9M2021	9M2020	3Q2021	2Q2021	1Q2021	4Q2020	3Q2020
Individuals	**1.65%**	**1.82%**	**1.64%**	**1.66%**	**1.65%**	**1.69%**	**1.76%**
Credit Card (1)	7.39%	7.31%	7.34%	7.53%	7.29%	6.62%	6.77%
Overdraft	7.87%	7.88%	7.87%	7.87%	7.86%	7.86%	7.88%
Payroll-Loan	1.36%	1.50%	1.34%	1.36%	1.37%	1.40%	1.46%
Payroll Loans - Own	1.36%	1.51%	1.35%	1.36%	1.37%	1.41%	1.47%
Payroll Loans - Acquired	0.86%	0.94%	0.84%	0.84%	0.88%	0.92%	0.93%
Non Payroll Loan - Personal Credit	2.35%	2.44%	2.64%	2.30%	2.11%	3.03%	2.69%
Other	1.27%	1.42%	1.25%	1.28%	1.28%	1.33%	1.40%
Companies	**0.94%**	**1.16%**	**0.96%**	**0.94%**	**0.92%**	**0.88%**	**1.01%**
Credit Card (1)	12.09%	11.78%	11.92%	12.06%	12.28%	11.96%	11.63%
Working Capital	0.77%	0.90%	0.82%	0.76%	0.73%	0.71%	0.79%
Debtor Accounts	4.55%	4.28%	4.32%	4.65%	4.68%	4.51%	4.35%
Compror/Vendor	0.78%	1.09%	0.92%	0.78%	0.65%	0.69%	0.87%
Discount of Receivables	1.37%	1.56%	1.41%	1.40%	1.31%	1.28%	1.47%
Other	0.53%	0.63%	0.53%	0.52%	0.53%	0.54%	0.61%
Total	**1.48%**	**1.67%**	**1.47%**	**1.49%**	**1.47%**	**1.49%**	**1.59%**

(1) Refers to credit card monthly average revolving rates.

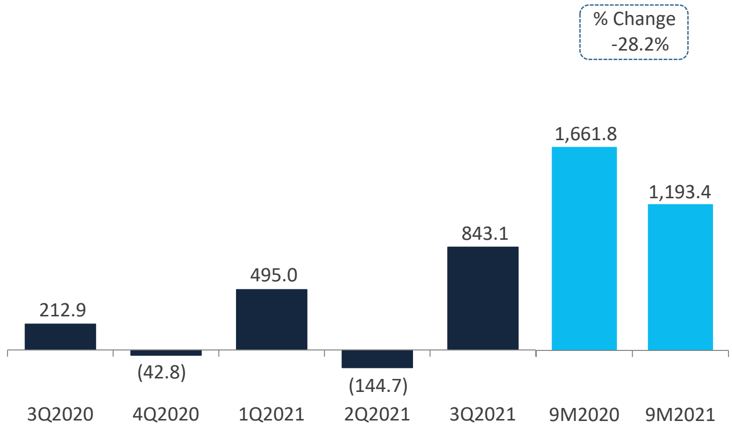
The monthly average interest rates charged on non-earmarked credit transactions decreased 0.19 pp. from 9M2020 to 9M2021. The monthly average interest rates charged in non-earmarked credit to individuals decreased 0.17 pp. from 9M2020 to 9M2021, and the monthly average interest rates charged in non-earmarked credit to companies decreased 0.22 pp. in the same period. From 3Q2020 to 2Q2021, the average monthly rates of non-earmarked credit decreased 0.12 pp. The monthly average rates of individual commercial credit products in 3Q2021 decreased by 0.12 pp. in relation to 3Q2020, and the average monthly rates of commercial credit products for companies decreased by 0.05 pp. in the same period. The monthly average rates of individual commercial credit products in 3Q2021 decreased by 0.02 pp., same trend of the average monthly rates of non-earmarked credit to individuals. The credito to companies increased 0.02 pp.in the period.

The main non-earmarked credit product to individuals (payroll loans) reduced average interest rates during the periods in comparison, and the main non-earmarked credit product to companies (working capital) increased average interest rates from the comparatives periods, except from the accumulated periods. The average monthly rates of non-earmarked credit to companies are influenced by competition in the credit market. Monthly average interest rates on credit to individuals bore the carry-over effect upon the stock of operations with fixed interest rates and the impacts from competition.

Revenues from Securities and Derivatives

Revenues from securities and derivatives totaled R$1,193.4 million in 9M2021, 28.2% (R$468.5 million) below 9M2020. In 3Q2021, revenues from securities and derivatives increased R$630.2 million from 3Q2010 and R$987.8 million from 2Q2021.

Graph 17: Revenues from Securities and Derivatives - R$ Million



From 9M2021 to 9M2020, the trend of treasury revenues resulted from the decrease of the income from financial derivative instruments in R$923.4 million, influenced by the exchange rate variation and the mark-to-market of the contracts in the period, due to the increase in income from securities of R$454.9 million, in a context of increasing treasury balance.

The trend of the treasury result in the comparison between 3Q2021 and 3Q2020, resulted from the increase in the result in income from securities, of R$417.7 million, due, in particular, to the increase in the effective Selic Rate, which went from 0.51% in 3Q2020 to 1.23% in 3Q2021, in a context of an increase in the balance, and in the result of derivative financial instruments, of R$212.5 million, due to the exchange variation and mark-to-market in the period.

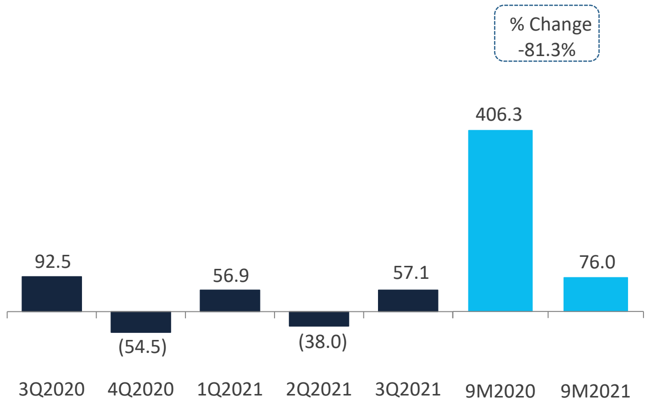
Compared to 2Q2021, the trajectory of the treasury of the 3Q2021, came from the increase of the result of derivative financial instruments, in R$767.0 million, given the exchange rate variation and mark-to-market for the period, and the result of TVM, in R $220.8 million, due, in particular, to the increase in the effective Selic Rate, in a context of relative stability in the balance.

REVENUES FROM FOREIGN EXCHANGE

Revenues from foreign exchange transactions totaled R$76.0 million in 9M2021, 81.3% (R$330.3 million) below 9M2020. In 3Q2021 revenues from foreign exchange transactions decreased R$35.4 million form 3Q2020 and R$95.1 million from 2Q2021 Foreign exchange operations in Banrisul are matched to their funding in foreign currencies; hence, any variation in revenues is proportionally offset by the variation of costs with foreign currency loans and onlendings.

The trend of revenues from foreign exchange transactions reflects the currency depreciation of 4.67% in 9M2021 vis-à-vis the 39.94% currency depreciation in 9M2020. Comparating the analysis periods the foreign exchange transactions reflects the currency depreciation of 8.74% in 3Q2021 vis-à-vis the 3.01% in 3Q2021 and 12.20% currency depreciation in 2Q2021.

Graph 18: Revenues from Foreign Exchange - R$ Million



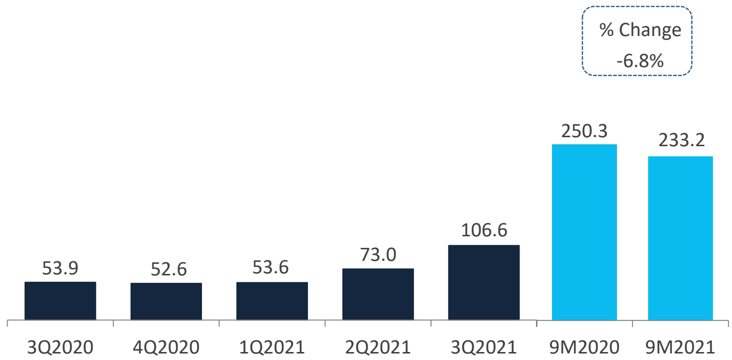
REVENUES FROM COMPULSORY DEPOSITS

Revenues from compulsory deposits reached R$233.2 million in 9M2021, decreasing 6.8% (R$17.1 million) from 9M2021. Revenues from compulsory deposits reached R$106.6 million increasing 97.6% (R$52.6 million) from 3Q2020 and 45.9% (R$33.5 million) from 2Q2021.

The trend in revenues from compulsory deposits from 9M2020 to 9M2021 reflects the decrease of the income from credits linked to time deposits mainly due to the decrease of the revenues from compulsory deposits medium balance.

From 3Q2020 and 2Q2021, the increase in revenues from compulsory deposits in 3Q2021 is mainly driven by the increase of the income from credits linked to time deposits, mainly due to the increase of respectively 0.72 pp. and 0.44 pp. in the Selic Rate, in a context of increase of the balance of these deposits.

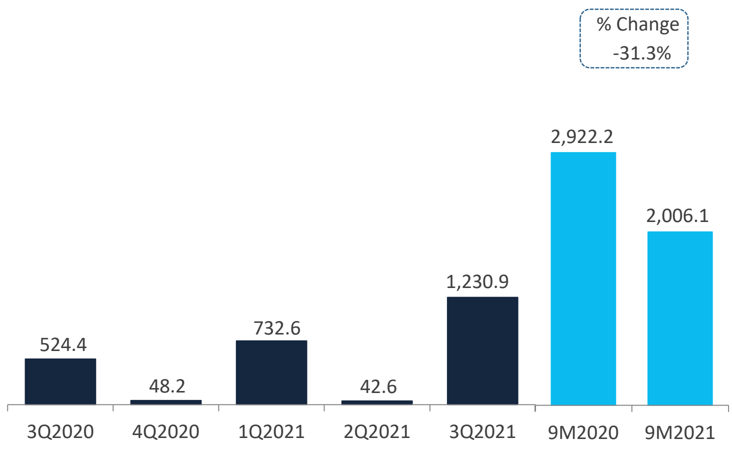
Graph 19: Revenues from Compulsory Deposits - R$ Million



FINANCIAL EXPENSES

Financial expenses totaled R$2,006.1 million in 9M2021, decreasing 31.3% (R$916.1 million) from 9M2020. In 3Q2021, the financial expenses totaled R$1,230.9 million increasing R$706.6 million from 3Q2021 and R$1,188.4 million from 2Q2021. The trend of financial expenses was mostly affected by the trend of Selic rate and by the exchange variation rate.

Graph 70: Financial Expenses - R$ Million



The decrease in financial expenses from 9M2020 to 9M2021 was influenced by the decrease of R$609.2 million in market funding expenses, and of R$306.9 million in expenses with loans, assignments and onlendings.

From 2Q2021 to 3Q2021, the increase in financial expenses was driven by the increase of R$692.1 million in market funding expenses and of R$14.5 million in expenses with loans, assignments and onlendings.

Compared to 2Q2021, the increase in financial intermediation expenses in 3Q2021 was influenced by the increase in funding expenses in the market, by R$1,046.8 million, and by R$141.6 million in expenses with loans, assignments and transfers.

Expenses with Market Funding Operations

Expenses with market funding reached R$1,780.3 million in 9M2021, 25.5% (R$609.2 million) below 9M2020. In 3Q2021, expenses with market funding reached R$1,098.5 million, increasing R$692.1 million from 3Q20220 and R$1,046.8 million from 2Q2021.

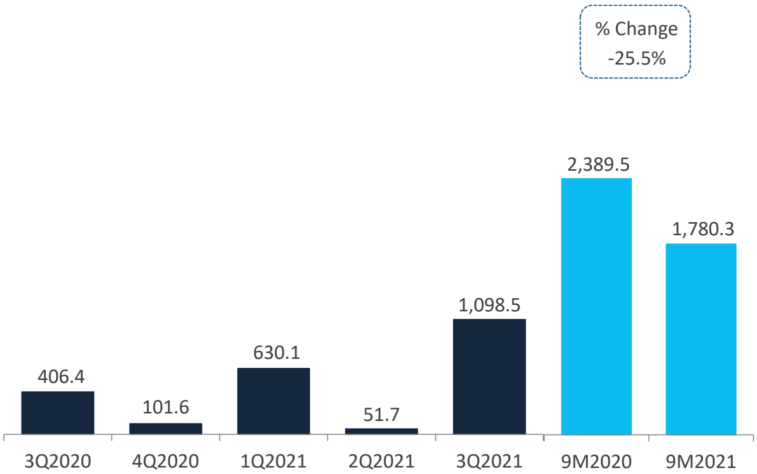
The decrease in funding expenses from 9M2021 to 9M2020 was mostly due to the decrease of R$876.2 million in expenses with subordinated debt, due to foreign exchange variation and the mark-to-market of the liability, partially offset of R$169.8 million in expenses with time deposits and of R$116.7 million in committed operations expenses.

From 3Q2020 to 3Q2021, the increase in funding expenses was mostly due to the increase of R$ 303.5 million in time deposits, of R$177.8 million in subordinated debt, due to the due to foreign exchange variation and the mark-to-market of the liability, of R$ 87.6 million in committed operations expenses, of R$78.6 million in funding base from January 2021. The increase of the Selic Rate - benchmark for the majority of the funding base - also produced impacts on the expenses.

The increase in funding expenses from 3Q2021 to 3Q2020 was mostly due to the increase of R$585.9 million in expenses with subordinated debt, due to foreign exchange variation and the mark-to-market of the liability, of R$204.0 million in funding base from January 2021 and of R$185.0 million in expenses with time deposits.

On January 28, 2021, Banrisul issued new subordinated debt (Tier II) in the amount of US$300 million (three hundred million dollars) with annual interest of 5.375%, for a 10-year term, with a repurchase option in 5 years, according to conditions previously agreed in the Offering Memorandum. This debt was authorized for Tier II Capital Subordination on October 25,2021.

Graph 21: Expenses with Market Funding Operations - R$ Million



Funding Cost

Funding cost was calculated based on the average balance of funding sources, linked to the corresponding funding expenses and the cost of borrowings, thus producing the average funding interest rates. Among the funding products, it is included deposits and resources from acceptance and issuance of securities.

The average funding cost of 1.00% in 3Q2021 above 0.48% from 3Q2020 and 0.68% from 2Q2021, in line with the Selic Rate. The most relevant items in the composition of the costs were time deposits and savings deposits. The average funding cost reached 81.50% of the Selic Rate in 3Q2021, decreasing 13.12 pp. since 3Q2020 and 4.41 pp. since 2Q2021.

Accounting for 72.1% of the average balance of all funding items shown in the following table, the average cost of time deposits reached 1.08% in 3Q2021, increasing 0.63 pp. from 3Q2020 and 0.39 pp. from 2Q2021. The average cost with time deposits reached 87.80% of the Selic rate in 3Q2021, decreasing 0.71 pp. from 3Q2020 and increasing 0.32 pp. from 2Q2021.

Funding Cost - R$ Million and %

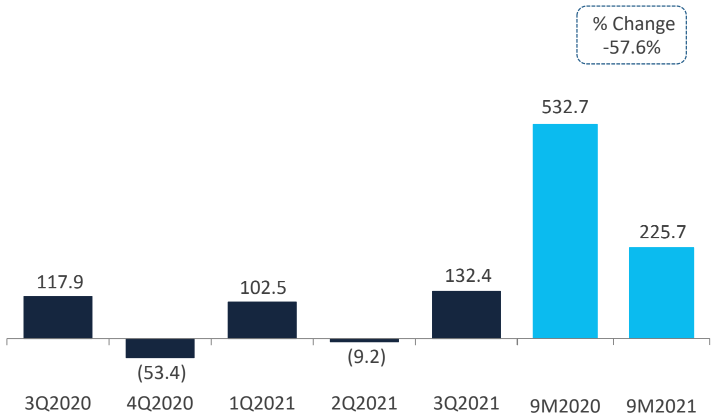
	3Q2021			2Q2021			3Q2020		
	Average Balance	Accum. Expense	Average Cost	Average Balance [1]	Accum. Expense	Average Cost	Average Balance [1]	Accum. Expense	Average Cost
Time Deposits	46,311.4	(500.4)	1.08%	45,417.6	(315.3)	0.69%	43,429.7	(196.8)	0.45%
Saving Deposits	11,496.3	(104.2)	0.91%	11,245.9	(77.3)	0.69%	10,516.3	(61.9)	0.59%
Demand Deposits	3,791.0	-	0.00%	3,656.2	-	0.00%	3,207.9	-	0.00%
Interbank Deposits	1,013.6	(2.4)	0.23%	842.8	(1.7)	0.21%	1,040.8	(4.9)	0.47%
Other Deposits	15.7	(0.0)	0.00%	15.9	-	0.00%	11.5	(0.0)	0.00%
Bank Notes	788.5	(10.0)	1.26%	1,003.1	(8.2)	0.82%	2,023.2	(11.0)	0.54%
Real Estate Notes	776.4	(8.4)	1.09%	818.0	(5.7)	0.70%	909.5	(4.2)	0.46%
Rural Notes	49.3	(0.5)	1.08%	-	-	-	-	-	-
Credit Guarantee Fund Expenses	-	(18.5)	-	-	(18.1)	-	-	(17.4)	-
Total Average Balance / Total Expenses	**64,242.2**	**(644.3)**	**1.00%**	**62,999.5**	**(426.5)**	**0.68%**	**61,138.9**	**(296.2)**	**0.48%**
Selic			**1.23%**			**0.79%**			**0.51%**
Average Cost / Selic			**81.50%**			**85.91%**			**94.62%**
Cost of Time Deposits / Selic			**87.80%**			**88.12%**			**88.51%**

(1) Average balance obtained from final balances of months that composed the analyzed periods.

Expenses with Borrowings and Onlendings

Expenses with borrowings and onlendings totaled R$225.7 million in 9M2021, 57.6% (R$306.9 million) below 9M2020. In 3Q2021, expenses with borrowings and onlendings increased R$14.5 million from 3Q2020 and R$141.6 million from 2Q2021.

Graph 82: Expenses with Borrowings and Onlendings - R$ Million



The lower flow of expenses with borrowings and onlendings from the 9M2021 was mainly driven by the decrease of R$ 325.4 million in foreign currency expenses due to exchange variation, partially offset by the increase of R$ 24.2 million in judicial deposits.

Compared to 3Q2020, the increase in expenses on loans, assignments and transfers of the3Q2021 was mainly due to the increase of R$23.1 million in expenses with judicial deposits, minimized by the decerase of R$10.8 million in expenses with transfers in foreign currency, due to the exchange variation in the period.

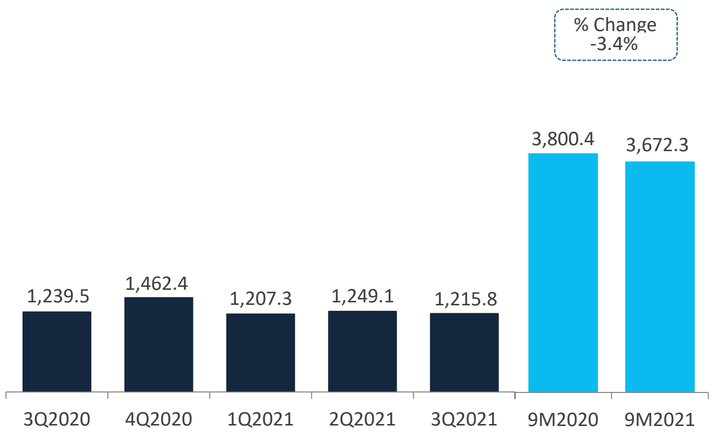
Compared to 2Q2021, the higher flow of expenses with loans, assignments and transfers of the 3Q2021 mainly reflects the increase in expenses with transfers in foreign currency, of R$122.0 million, due to the exchange rate variation in the period.

Financial Margin

Net interest income totaled R$3,672.3 million in 9M2021, decreasing 3.4% (R$128.1 million) from 9M2020. In 3Q2021 net interest income totaled R$1,215.8 million decreasing 1.9% (R$23.7 million) from 3Q2020 and 2.7% (R$43.3 million) from 2Q2021.

The decrease in financial margin from 3Q2020 to 2Q2021 reflects the decrease of interest income in greater proportion than the increase of interest expenses, in a context of exchange rate andincrease of 0.72 pp. and 0.44 pp. of the Selic Rate.

Graph 93: Financial Margin - R$ Million

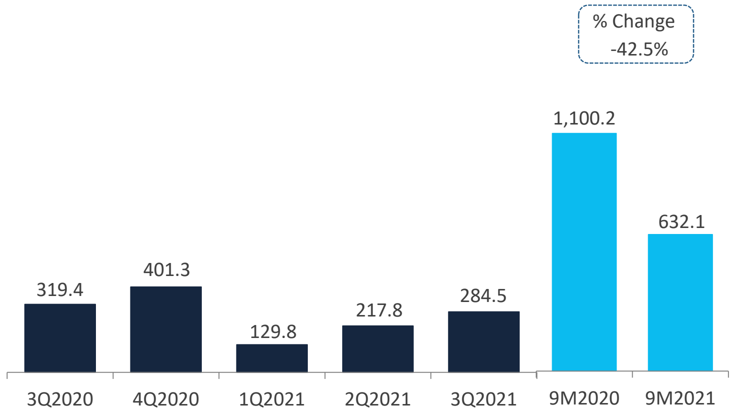


Allowance for Loan Losses

Expenses with allowance for loan losses totaled R$632.1 million in 9M2021, decreasing 42.5% (R$468.1 million) from 9M2020. In 3Q2021, expenses with allowance for loan losses totaled R$284.5 million, decreasing 10.9% (R$34.9 million) from 3Q2020, increasing 30.6% (R$66.7 million) from 2Q2021.

The trend in provision expenses for loan operations from 9M2020 to 9M2021 and from 3Q2020 and 3Q2021, reflects mostly the loan book rollover by risk rating, increase of the allowance for loan losses balance, in a context of credit portfolio growth.

Graph 24: Allowance for Loan Losses - R$ Million



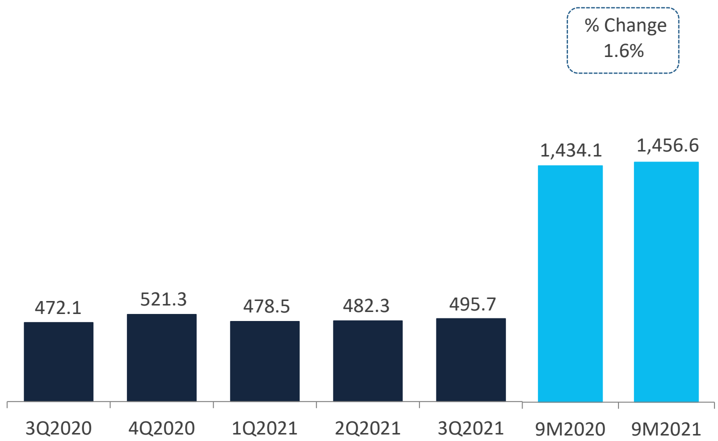
Revenues from Services and Banking Fees

Revenues from services and banking fees reached R$1,456.6 million in 9M2021, increasing 1.6% (R$22.4 million) from 9M2020. In 3Q2021, revenues from services and banking fees reached R$495.7 million, increasing 5.0% (R$23.6 million) from 3Q2020 and 2.8% (R$13.4 million) from 2Q2021.

The trend from 9M2020 to 9M2021 was especially influenced by the increase of R$22.2 million in banking fees income, due to the increase of R$22.2 million in MDR fees, due to the revenue from the acquiring network volume and the increase of R$20.9 million in insurance, pension plans and capitalization bonds revenues, partially offset to R$13.2 million in direct debt and of R$10.6 million in banking fees. From 3Q2020 to 3Q2021, revenues from services and banking fees were influenced by the increase of R$16.7 million in insurance, pension plans and capitalization bonds revenues, of R$12.8. million in revenue from the acquiring network, partially offset by the decerase of R$6.9 million in direct debt.

Compared to 2Q2021, revenues from services rendered and banking fees in 3Q2021 were especially affected by the R$8.7 million increase in revenue from the acquiring network, of R$1.9 million in insurance, pension plans and capitalization bonds revenues , of R$1.8 million in income from consortium administration fees.

Graph 25: Revenues from Services and Banking Fees - R$ Million



ADJUSTED ADMINISTRATIVE EXPENSES

Administrative expenses totaled R$2,698.2 million in 9M2021, stable decreasing R$4.7 million from 9M2020. In 3Q2021, administrative expenses totaled R$930.9 million, increasing 2.8% (R$25.1 million) from 3Q2020 and 4.8% (R$42.4 million) from 2Q2021.

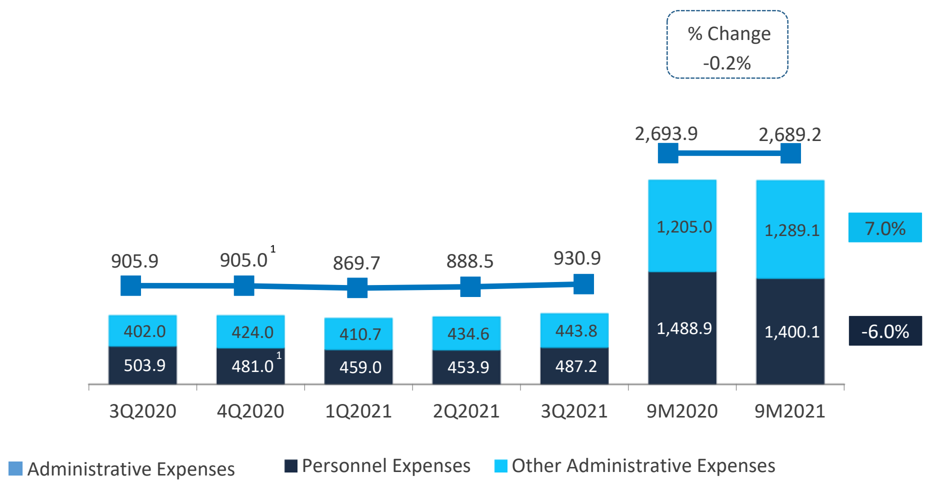
In 2020, it was approved the Voluntary Termination Plan for employees already retired or who may request retirement within the next 24 months, by fullfiling contribution time retirement requisistes and other conditions according to the National Pension Plan Office (INSS), with its enrollment and dismissal periods in the last quarter of 2020, with the exception of IT employees, whose job terminations may stagger until 2022. The PDV Plan was set through a Collective Labor Agreement entered with Banking Union entities, incorporating clauses for the full termination of labor contracts. The costs accounted in the scope of PDV Plan totaled R$177.0 million in 4Q2020, and refers to 901 employees, of this total, in the end of December 2020, 865 employees and in the end of September 2021, 97.1% (875 employees) had already been dismissed from the Bank, in the scope of the PDV Plan. The adjusted personel expenses do not include the PDV related costs, event treated as non-recurring.

Personnel expenses totaled R$1,400.1 million in 9M2021, decreasing 6.0% (R$88.8 million) from 9M2020, impacted by the collective wage agreement and expenses related to the PDV Plan. Other administrative expenses reached R$1,289.1 milliondecreasing R$7.0 million (R$84.0 million), mostly influenced by the increase in expenses with specialized technical services, amortization and depreciation expenses (R$18.3million), expenses with outsourced services (12.0 million), data processing expnses (R$8.9 million) and maintenance and upkeep expenses (R$7.3 million).

From 3Q2020 to 3Q2021, personnel expenses decreased 3.3% (R$16.7 million). Other administrative expenses increased 10.4% (R$41.8 million) from 3Q2020 to 3Q2021, mainly driven by the increase with specialized technical services (R$14.4 million), amortization and depreciation expenses (R$8.2 million), data processing expenses (R$7.5 million) and advertising, promotions and advertising expenses (R$6.2 million).

Compared to 2Q2021, personnel expenses in 3Q2021 increased by 7.3% or R$33.3 million, mainly reflecting the collective agreement. Other administrative expenses increased by 2.1% or R$9.2 million compared to 2Q2021, mainly influenced by the increase in expenses with advertising, promotions and advertising expenses, by R$4.7 million, expenses related to the donation of medical equipment to hospitals by R$4.6 million, partially offset by the decrease in communications services at R$6.4 million.

Graph 26: Administrative Expenses - R$ Million



[1] Ajustado.

OTHER INCOME

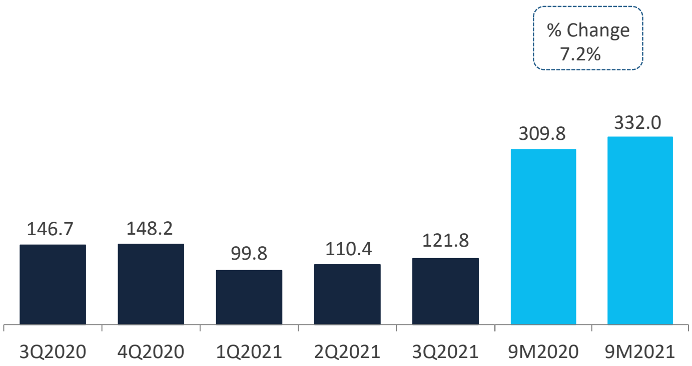
In 9M2021 other income reached R$332.0 million, increasing 7.2 (R$22.3 million) from 9M2020. In 3Q2021 ither income reached R$121.8 million, decreasing 17.0% (R$25.0 million) from 3Q2020 and 10.2% (R$11.3 million) from 2Q2021.

The increase in other adjusted income from 9M2020 to 9M2021 was especially due to the reversal of provisions for non-use assets (R$25.2 million), increase in revenues from rental of POS machines (R$23.8 million) and miscellaneous recipes with cards revenue (R$8.9 million), partially offset from the restatement of guarantee deposits (R$19.7 million) and income with recovery of charges (R$18.0 million).

The increase in other adjusted income from 3Q2020 to 3Q2021 was especially due to the decrease in revenues from the restatement of guarantee deposits (R$19.7 million), income with recovery of charges (R$12.9 million), partially offset reversal of provisions for non-use assets (R$12.1 million).

In comparison with 2Q2021, the increase in other income in 3Q2021 mostly reflects the increase in revenue from reversal of deposit in guarantees uptade of R$12.0 million.

Graph 27: Other Income - R$ Million



OTHER ADJUSTED EXPENSES

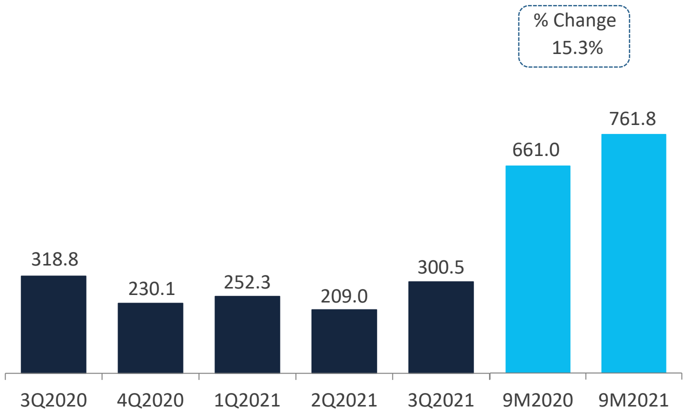
Other adjusted expenses reached R$761.8 million in 9M2021, increasing 15.3% (R$100.8 million) from 9M2020. In 3Q2021 other adjusted expnses reached R$300.5 million, decreasing 5.7% (R$18.3 million) from 3Q2021 and increasing 43.8% (R$91.5 million) from 2Q2021.

The increase of other expenses from 9M2020 to 9M2021 was particularly driven by the decrease in labor lawsuits provision expenses (R$55.8 million) and INSS fees (R$36.1 million).

In the 3Q2020, the decrease in others adjusted expenses was driven by the decrease in other adjusted expenses (R$18.5 million)

Compared to 2Q2021, the increase in other expenses in 3Q2021 was mainly impacted by the increase in expenses with labor provisions, by R$86.1 million.

Graph 108: Other Adjusted Expenses - R$ Million



SUMMARY CONSOLIDATED PRO FORMA BALANCE SHEET

Table 1: Summary Consolidated Pro Forma Balance Sheet - R$ Thousand

Assets	Sep 2021	Jun 2021	Mar 2020	Dec 2020	Sep 2020	Sep 2021/ Sep 2020	Sep 2021/ Jun 2021
Cash	1,669,927	1,583,843	1,457,599	1,263,648	1,374,878	21.5%	5.4%
Financial Assets	96,994,136	93,465,517	91,171,064	88,011,432	85,987,882	12.8%	3.8%
Interbank Financial Investments	8,800,744	8,063,373	8,337,526	6,041,572	5,946,357	48.0%	9.1%
Compulsory Deposits at Central Bank of Brazil	7,983,621	7,744,492	7,469,218	7,750,609	7,545,727	5.8%	3.1%
Securities and Derivatives	36,145,131	36,016,688	33,353,737	31,645,202	31,032,558	16.5%	0.4%
Financial Derivative Instruments	819,882	661,669	1,012,350	844,599	1,065,543	-23.1%	23.9%
Credit Operations	35,969,497	34,074,673	34,397,499	34,860,941	33,567,407	7.2%	5.6%
Other Financial Assets	7,260,416	6,888,776	6,583,149	6,848,904	6,808,784	6.6%	5.4%
Leasing Operations	14,845	15,846	17,585	19,605	21,506	-31.0%	-6.3%
Allowance for Loan Losses - associated to credit risk	(2,747,212)	(2,725,494)	(2,750,876)	(2,813,138)	(2,862,492)	-4.0%	0.8%
Tax Assets	3,549,970	3,490,854	3,236,138	3,119,592	3,260,195	8.9%	1.7%
Other Assets	778,639	865,235	914,398	817,994	987,685	-21.2%	-10.0%
Investments	164,815	162,060	156,275	177,951	160,481	2.7%	1.7%
Property in Use	471,839	464,865	454,892	439,693	411,020	14.8%	1.5%
Intangible	766,442	756,135	792,563	805,729	847,574	-9.6%	1.4%
Total Assets	**101,648,556**	**98,063,015**	**95,432,053**	**91,822,901**	**90,167,223**	**12.7%**	**3.7%**
Liabilities	**Sep 2021**	**Jun 2021**	**Mar 2020**	**Dec 2020**	**Sep 2020**	**Sep 2021/ Sep 2020**	**Sep 2021/ Jun 2021**
Deposits and Other Financial Liabilities	87,331,773	83,837,370	81,733,912	78,730,375	76,608,209	14.0%	4.2%
Deposits	63,409,002	61,179,999	60,966,517	62,446,503	59,892,651	5.9%	3.6%
Repurchase Agreements	8,948,284	8,679,331	7,019,799	4,362,437	4,205,420	112.8%	3.1%
Funds from Acceptance and Issue of Securities	1,606,917	1,742,545	1,919,839	2,440,535	2,663,941	-39.7%	-7.8%
Borrowings and Onlendings	3,725,261	3,318,305	3,541,009	1,898,981	2,121,732	75.6%	12.3%
Derivatives	96,848	174,239	36,083	-	-	-	-44.4%
Other Financial Liabilities	9,545,461	8,742,951	8,250,665	7,581,919	7,724,465	23.6%	9.2%
Provisions	2,331,237	2,218,988	2,101,742	2,012,954	1,983,440	17.5%	5.1%
Tax Liabilities	829,926	813,260	643,674	561,565	916,601	-9.5%	2.0%
Other Liabilities	2,406,149	2,538,980	2,371,483	2,171,792	2,034,065	18.3%	-5.2%
Shareholders' Equity	**8,749,471**	**8,654,417**	**8,581,242**	**8,346,215**	**8,354,908**	**4.7%**	**1.1%**
Total Liabilities and Shareholders' Equity	**101,648,556**	**98,063,015**	**95,432,053**	**91,822,901**	**90,167,223**	**12.7%**	**3.7%**

ADJUSTED PRO FORMA CONSOLIDATED INCOME STATEMENT

Table 2: Pro Forma Consolidated Income Statement - R$ Thousand

	9M2021	9M2020	3Q2021	2Q2021	1Q2021	4Q2020	3Q2020	9M2021/ 9M2020	3Q2021/ 2Q2021
Financial Income	**5,678,379**	**6,722,565**	**2,446,749**	**1,291,712**	**1,939,918**	**1,510,605**	**1,763,854**	**-15.5%**	**89.4%**
Lending and Leasing Operations and Other Credits	4,175,815	4,404,185	1,440,039	1,401,349	1,334,427	1,555,280	1,404,559	-5.2%	2.8%
Securities	1,113,067	658,124	564,910	344,136	204,021	178,174	147,179	69.1%	64.2%
Derivatives	80,299	1,003,719	278,153	(488,837)	290,983	(220,943)	65,675	-92.0%	-156.9%
Foreign Exchange	75,988	406,251	57,078	(37,982)	56,892	(54,464)	92,511	-81.3%	-250.3%
Compulsory Investments	233,210	250,286	106,569	73,046	53,595	52,558	53,930	-6.8%	45.9%
Financial Expenses	**(2,006,084)**	**(2,922,188)**	**(1,230,943)**	**(42,564)**	**(732,577)**	**(48,229)**	**(524,368)**	**-31.3%**	**2.792.0%**
Funding Operations	(1,780,342)	(2,389,529)	(1,098,503)	(51,725)	(630,114)	(101,601)	(406,449)	-25.5%	2.023.7%
Borrowings Assignments and Onlendings	(225,742)	(532,659)	(132,440)	9,161	(102,463)	53,372	(117,919)	-57.6%	-1.545.7%
Profit from Financial Income	**3,672,295**	**3,800,377**	**1,215,806**	**1,249,148**	**1,207,341**	**1,462,376**	**1,239,486**	**-3.4%**	**-2.7%**
Allowance for Loan Losses	**(632,098)**	**(1,100,235)**	**(284,534)**	**(217,807)**	**(129,757)**	**(401,261)**	**(319,407)**	**-42.5%**	**30.6%**
Other Adjusted Operational Income	**1,822,280**	**1,782,306**	**631,945**	**601,699**	**588,636**	**686,729**	**631,673**	**2.2%**	**5.0%**
Fees and Services	1,456,569	1,434,128	495,721	482,304	478,544	521,271	472,146	1.6%	2.8%
Equity in Subsidiaries	33,669	38,410	14,467	8,951	10,251	17,281	12,811	-12.3%	61.6%
Other Adjusted Income	332,042	309,768	121,757	110,444	99,841	148,177	146,716	7.2%	10.2%
Other Adjusted Operating Expenses	**(3,796,865)**	**(3,701,765)**	**(1,344,724)**	**(1,212,156)**	**(1,239,985)**	**(1,256,150)**	**(1,339,916)**	**2.6%**	**10.9%**
Adjusted Personnel Expenses	(1,400,073)	(1,488,861)	(487,158)	(453,906)	(459,009)	(480,999)	(503,883)	-6.0%	7.3%
Other Administrative Expenses	(1,289,095)	(1,205,046)	(443,791)	(434,603)	(410,701)	(424,050)	(401,994)	7.0%	2.1%
Tax Expenses	(345,911)	(346,881)	(113,290)	(114,680)	(117,941)	(121,045)	(115,288)	-0.3%	-1.2%
Other Adjusted Expenses	(761,786)	(660,977)	(300,485)	(208,967)	(252,334)	(230,056)	(318,751)	15.3%	43.8%
Income from Adjusted Operations	**1,065,612**	**780,683**	**218,493**	**420,884**	**426,235**	**491,694**	**211,836**	**36.5%**	**-48.1%**
Income Before Income Taxes	**1,065,612**	**780,683**	**218,493**	**420,884**	**426,235**	**491,694**	**211,836**	**36.5%**	**-48.1%**
Adjusted Income Tax and Social Contribution	**(237,684)**	**(202,354)**	**(16,701)**	**(106,673)**	**(114,310)**	**(129,243)**	**(69,948)**	**17.5%**	**-84.3%**
Employee Profit Sharing	**(95,395)**	**(83,067)**	**(30,221)**	**(32,256)**	**(32,918)**	**(32,711)**	**(24,013)**	**14.8%**	**-6.3%**
Non-Controlling Minority Interest	**(215)**	**(135)**	**(71)**	**(72)**	**(72)**	**(67)**	**(47)**	**59.3%**	**-1.4%**
Adjusted Net Income	**732,318**	**495,127**	**171,500**	**281,883**	**278,935**	**329,673**	**117,828**	**47.9%**	**-39.2%**
Voluntary Termination Plan - PDV	-	-	-	-	-	(176,952)	-	-	-
Tax contingency Provision	(76,036)	-	-	(76,036)	-	-	-	-	-
Tax Effects	34,216	-	-	34,216	-	79,628	-	-	-
Tax Credits - CSLL Law 14,183/21	10,265	-	(14,898)	25,163	-	-	-	-	-159.2%
Net Income	**700,763**	**495,127**	**156,602**	**265,226**	**278,935**	**232,349**	**117,828**	**41.5%**	**-41.0%**

Management Report

Economic Scenario

Towards economic recovery

On the international scenario, with the advance of vaccination against Covid-19 — especially in England and the United States — the economy grew in the first nine months of the year, albeit at an uneven pace.

Brazil, in turn, registers an increase in inflation indicators, readjustments in fuel prices and an imminent energy crisis. The Extended National Consumer Price Index – IPCA (the country's main inflation index) accumulated a 10.25% change in 12 months, up to September 2021.

In Rio Grande do Sul, which posted a 2.5% increase in GDP in the second quarter, the highlight was the good performance of agribusiness and the manufacturing industry.

High **energy costs** and impending **water crisis** could affect the economy

Agribusiness performance should raise **GDP growth forecast** for Rio Grande do Sul

Manufacturing industry was one of the highlights in the industry of Rio Grande do Sul

Business Strategy and Guidelines

To be a profitable, solid and competitive public bank, integrated with communities. With this **Vision**, Banrisul guides its efforts in the pursuit of excellence, without losing sight of the **Mission** of being the financial agent that promotes the economic and social development of Rio Grande do Sul. For this, the Institution is based on five pillars:

Essence

Its essence is to be a retail bank. And this promotes actions connected to the needs of the community. Banrisul **expanded financing for the agribusiness production chain, maintained investments that help micro, small and medium-sized companies**, such as Pronampe, in addition to payroll loans for public servants and INSS pensioners. In the sustainability area, **the balance of credit lines to encourage the use of clean energy increased**. Banrisul received the Silver seal of GHG Protocol, after the publication of its inventory of greenhouse gases.

People

The success of an organization requires the participation of people and, for that, it is necessary to listen to them. An **engagement survey reached all Banrisul employees to define and implement internal improvements**, which reflect in a more agile and transformative culture. Regarding the Covid-19 pandemic, in these nine months of 2021, **the health and safety of the team and customers were prioritized, with preventive actions**. A contracted consultancy assisted in the review of Human Resources processes.

Eficiency

Keeping up with technological advances in the financial market is a hallmark of Banrisul. During this period, the Bank achieved more agile and simplified processes, with the continuity of the merger or closure of seven branches and 22 service points. And to maintain the excellence of the service provided, the Institution constantly improves its IT infrastructure and architecture, adopting best management practices to mitigate risks and use resources more effectively.

Transformation

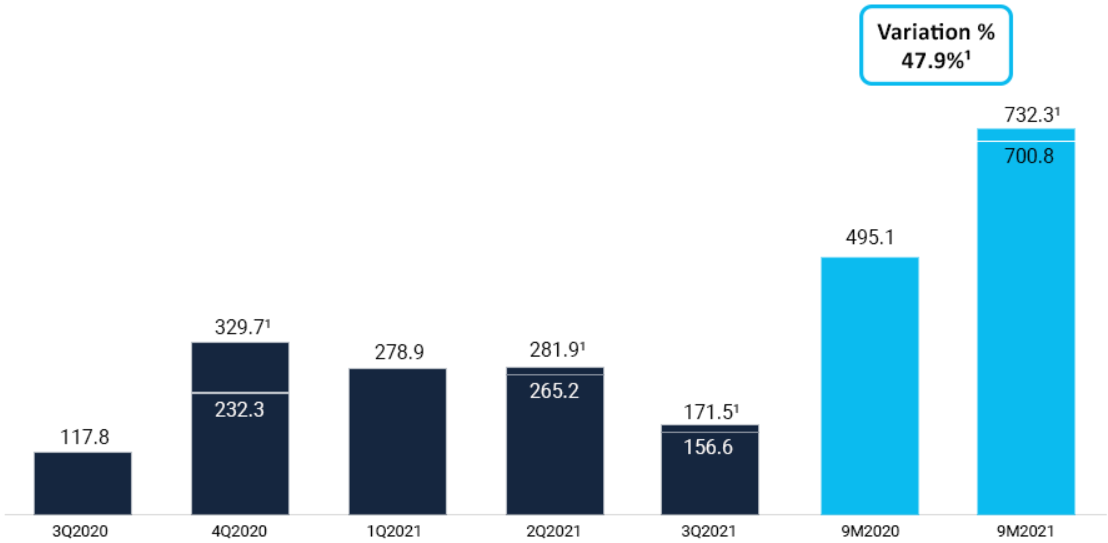
Banrisul was the first Brazilian bank to receive the certification that authorizes the sharing of customer information through Open Banking. The Institution developed digital solutions that ensure its competitiveness in the market and recently announced the inauguration of a new sustainable Data Center. In the context of the Covid-19 pandemic, Information Technology structures related to remote work were improved.

Customer

Raising the level of satisfaction and providing the best experience in financial solutions are the focus of the customer journey. In line with these goals, Banrisul has improved the Banrisul Digital app with new features, such as opening an individual account through the app. Improvements were also made to the Agroconecta app and the investment statement; push communication to reinvest time deposits; improvements in the university account opening flow; and the launch of the Web Sales Monitor, on Vero Wallet — which allows making and consulting payments without using a POS machine.

Consolidated Performance

Net Income



[1] Ajusted net income

Net income for the nine months of 2021 reached R$700.8 million, which represents R$205.6 million more (41.5% higher) than the net income for the same period in 2020. The result was impacted by non-recurring events, such as the adjustment of the provision for tax contingencies, the associated tax effect and the updating of the installments to be realized of deferred tax credits and debts, due to the enactment of Law 14,183/21. Adjusted net income for the nine months of 2021 reached R$732.3 million, R$237.2 million (47.9%) above the same period in 2020. The adjusted annualized return on average equity reached 11.4%.

The growth in the period reflects, especially:

(I) lower allowance for loan losses expenses

(II) decrease of the financial margin

(III) increase in service and fee revenues

(IV) increase in other adjusted expenses

(V) resulting higher volume of income taxes

The wealth generated by Banrisul in the first nine months of 2021, measured by the concept of added value, reached a total of R$2,830.0 million, of which R$1,300.4 million or 46.0% was allocated to personnel expenses; R$734.2 million or 25.9% for the payment of taxes, fees and contributions; R$701.0 million or 24.8% for remuneration of equity; and R$94.4 million or 3.3% for remuneration of third-party capital.

Shareholders' Equity

Shareholders' equity reached R$8,749.5 million in September 2021. The increase of R$394.6 million (4.7%) in twelve months was due to the incorporation of the results generated, payments of interest on equity and dividends paid and/or provisioned, the reassessment of actuarial liabilities — referring to post-employment benefits (CPC 33 - R1) — and exchange variation adjustments on the equity of foreign branches.

Total Assets

Total assets reached R$101,648.6 million in September 2021, an increase of 12.7% compared to the R$90,167.2 million registered in the same month in 2020. The increase is mainly due to the growth in deposits, open market funding, external funding carried out in January 2021, and financial and development funds.

Regarding the assets breakdown, bonds and securities, added to liquid interbank investments and cash, represent 46.7% of the total, credit operations make up 38.1%, compulsory deposits at Bacen 7.9% and others assets 7.3%.

Investments in securities, including derivatives, added to liquid interbank investments and cash, reached R$47,435.7 million in September 2021, an increase of R$8,016.3 million or 20.3% compared to September 2020, mainly reflecting the increase in the balance of deposits, open market funding and external funding carried out in January 2021, in a context of growth in the loan portfolio and compulsory deposits at Bacen.

Banrisul has financial capacity, proven through technical studies developed internally, and intends to hold until maturity the securities classified in the "held to maturity" category, as provided for in article 8 of Circular No. 3,068/01 of Bacen.

Products and Services Highlights

Loan Portfolio

The loan portfolio reached R$38,701.8 million in September 2021, an increase of R$2,444.1 million or 6.7% in the twelve months. In line with the main needs of the moment, the strategy of expanding access to payroll loans was maintained, mainly through the Banrisul Digital application and Home Banking. The functionality was made available to INSS retirees and pensioners, and over 80 municipal and state agreements. In the nine months of 2021, the volume granted through these channels totaled R$203.5 million, through 33 thousand contracts.

In the nine months of 2021, a credit line for university students was expanded, covering 12 universities in Rio Grande do Sul. Thus, the Bank reinforces its social role, with a direct impact on the development of Rio Grande do Sul.

For entrepreneurs, the **Banrisul Giro FGI – Guarantee Fund for Investments** credit line was launched, aimed at companies. By the end of the year, a new option for working capital credit will be released, this time with a guarantee from the Guarantee Fund for Micro and Small Enterprises (FAMPE). In the field of innovation, new FINEP onlendings lines were released: **Inovacred 4.0** and **Innovative Acquisition**.

Banrisul acts as onlending agent for the BNDES lines: **FINAME** and **BNDES Automático**. In innovation, it acts as onlending agent for FINEP with the Inovacred and Inovacred Expresso lines. It also operates with two lines of its own resources: **Banrisul Fomento** and **Banrisul Special Financing – FEB**, aimed at the public sector.

Also in credit, specific lines to enable the use of renewable energy stand out: **CDC Sustainability, BNDES Finame Low Carbon and BNDES Climate Fund Program**, available to individuals and companies.

The table for the breakdown of credit portfolio is presented below:

Breakdown of Credit Portfolio	Sep 2021	Jun 2021	Dec 2020	Sep 2020	Sep2021 / Sep2020 Abs. Var.	Sep2021 / Sep2020 Var. %
Private Sector	**38,599.6**	**36,537.6**	**37,502.2**	**36,156.2**	**2,443.3**	**6.8%**
Non-earmarked	28,956.9	28,059.4	28,887.4	27,546.1	1,410.8	5.1%
Individuals	22,164.0	21,861.8	22,278.0	21,373.1	790.9	3.7%
Companies	6,792.8	6,197.6	6,609.4	6,173.0	619.8	10.0%
Real Estate	4,042.5	4,077.6	4,125.6	4,122.9	(80.4)	-2.0%
Rural	4,412.1	3,361.0	3,392.2	3,178.9	1,233.2	38.8%
Long Term	535.3	506.9	569.1	616.4	(81.2)	-13.2%
Foreign Exchange	639.6	518.7	510.4	672.7	(33.0)	-4.9%
Leasing	13.1	14.1	17.6	19.2	(6.0)	-31.5%
Public Sector	**102.2**	**102.5**	**103.6**	**101.5**	**0.8**	**0.8%**
Total	**38,701.8**	**36,640.1**	**37,605.8**	**36,257.7**	**2,444.1**	**6.7%**

The classification of the credit portfolio by risk levels follows the procedures established by CMN Resolution No. 2682/99. At the end of September 2021, Normal Risk operations, covering ratings AA to C, totaled R$35,181.2 million, representing 90.9% of the total portfolio. Operations classified as Risk 1, which include ratings D to G, totaled R$1,712.5 million, corresponding to 4.4% of the portfolio. Risk 2, made up exclusively of rating H operations, reached R$1,808.0 million or 4.7% of the total.

Non-earmarked Credit

Non-earmarked credit to individuals reflects the Institution's main business strategy and grew by R$790.9 million in 12 months, including asset transfers — accounted for in accordance with Bacen Circular Letter No. 3,543/12, in credits linked to operations acquired through assignment.

The evolution was mainly influenced by the growth of R$664.9 million in the balance of payroll loans, which reached the amount of R$17,557.3 million in September 2021. Of this total, R$11,358.4 million refers to operations granted at Banrisul's branches, while R$6,138.2 million consists of

Individuals

Balance of
R$22,164.0 million
+ 3.7%
in 12 months

Companies

Balance of
R$6,792.8 million
+ 10.0%
in 12 months

operations granted through correspondents. Another R$60.7 million are related to operations acquired from other institutions.

Non-earmarked credit for companies grew by R$619.8 million in September 2021 compared to the same period in 2020. This is especially due to working capital lines, given the increase in the volumes granted in the Guarantee Fund - FGI and emergency lines of Pronampe and PEAC credit.

Agribusiness

Being alongside the farmer, in a long-term partnership, is what makes the difference. With its own resources and onlending from BNDES lines, Banrisul is increasingly consolidating as one of the main financial institutions that support agribusiness in Rio Grande do Sul. In the 2021/2022 Harvest Plan, R$5.2 billion in credit is being made available, 27% more than in the previous cycle. The volume represents a historic record.

As a way of strengthening its reach in several regions, the Bank began launching **Agro Spaces Banrisul**, specialized in the sector, in branches located in strategic cities. It is also worth mentioning the presence at the **44th Expointer** — the main event of the rural sector in Rio Grande do Sul — with a granted volume of **R$441.2 million**.

Agro Spaces
launched in branches in Santo Ângelo and Cruz

R$4,412.1 million
was the balance of rural credit in September 2021
+ 38.8%
compared to September 2020

Funding

Funds raised, consisting of deposits, funds in bank notes and subordinated debt, and funds under management reached R$81,188.1 million in September 2021. These funds are mainly composed of 57.3% of time deposits, 16.3 % of managed third-party funds and 14.2% of savings deposits. In order to diversify sources and generate funding for rural credit, fundraising through the Agribusiness Notes - LCA began in the second half of the year. For individual customers, LCA allows financial investment with income tax free profitability. The amount raised totaled R$128.5 million in September 2021.

The table below shows the composition of funds raised and managed by product:

Composition of Funds Raised by Product	**Sep 2021**	**Jun 2021**	**Dec 2020**	**Sep 2020**	**Sep2021 / Sep2020 Abs. Var.**	**Var. %**
Total Deposits	63,409.0	61,180.0	62,446.5	59,892.7	3,516.4	5.9%
Demand Deposits	4,014.0	3,768.2	4,289.1	3,476.3	537.7	15.5%
Savings Deposits	11,527.0	11,416.6	11,065.6	10,705.2	821.8	7.7%
Interbank Deposits	1,357.6	123.4	1,478.8	1,196.2	161.4	13.5%
Time Deposits	46,495.1	45,855.5	45,599.6	44,502.9	1,992.2	4.5%
Other Deposits	15.3	16.3	13.4	12.1	3.3	27.1%
Resources from Notes (1)	1,606.9	1,742.5	2,440.5	2,663.9	(1,057.0)	-39.7%
Subordinated Debt	2,951.7	2,805.7	2,979.6	3,180.3	(228.6)	-7.2%
Total Funding	**67,967.6**	**65,728.3**	**67,866.7**	**65,736.9**	**2,230.7**	**3.4%**
Assets Under Management	13,220.5	13,392.8	12,591.0	12,746.6	473.9	3.7%
Total Funding and Assets Under Management	**81,188.1**	**79,121.1**	**80,457.7**	**78,483.5**	**2,704.6**	**3.4%**

(1) Bank Notes, Real Estate Notes and Agribusiness Notes.

On January 28, 2021, Banrisul issued new subordinated debt, in the amount of US$300 million, with interest of 5.375% p.a. The Notes have a ten-year maturity, with a repurchase option in five years. The Subordinated Debt was authorized for Tier II Capital by the Central Bank on October 25, 2021. The balance of this issue is accounted for in Foreign Borrowing Obligations.

Credit and Debit Cards

New solutions, such as PIX, have revolutionized the payment method market in Brazil. To remain competitive in the credit card area, the Bank seeks to offer tools that facilitate users' daily lives based on technology and innovation.

In line with this new perspective and with the needs imposed by the Covid-19 pandemic, Banrisul offers **BanriFast**, a bracelet with which customers pay for their purchases safely and without contact with the POS machine. The service can be requested entirely online, through the Banrisul Digital app.

The Bank ended the first nine months of 2021 with a base of 1.2 million credit cards, under the Mastercard and Visa brands. Income from credit and fees from credit cards and from BNDES cards totaled R$300.9 million in the nine months of 2021.

Credit Cards

59.1 million
transactions in 9M2021

+ 8.7% in 12 months

with a financial turnover of

R$5.3 billion
+ 13.9% in 12 months

App improvements

A **survey among customers** served as the basis for improvement of the credit card section of the Bank's app. The virtual environment has been redesigned, with a new timeline and more accessible data for consultation.

The improvements have earned Banrisul national recognition: the Institution is ranked third in the ranking of the 40 main credit card applications in the market, in the category "quantity of features in the app", with features considered rare, according to CardMonitor.

As of June 2021, the conditions for contracting and expanding credit card limits for account holders in the Banrisul Digital app were made easier. More than 192 thousand customers have already used the service and adjusted their credit card limit.

BANRICARD

6.1 thousand
active affiliated customers as of September 2021

R$1.0 billion
revenue in 9M2021, + 1.2% compared to 9M2020

BANRICOMPRAS

118.4 million
transactions from January to September 2021 + 5.7% in 12 months

R$11.1 billion
in transactions + 11.0% in 12 months

Vero Acquiring Network

Until September 2021, Vero had 139.7 thousand active accredited merchants (in 12 months). Among the improvements, we highlight the adoption of the BR Code and the **Onde tem Vero** functionality, aimed at Vero Wallet users. The novelty allows you to find establishments and use the digital wallet.

Work was also done on the implementation of the centralized and interoperable receivables registration system, in compliance with the provisions of CMN Resolution No. 4,734/19 and Bacen Circular No. 3,952/19. Another highlight is the launch of the **Sales**

Monitor, which allows customers who sell without a POS machine to monitor their transactions. Vero also started, in the period, the capture of the Senf brand.

In the nine months of this year, 263.0 million transactions were captured, 186.4 million with debit cards, with growth of 21.1% compared to the previous year; and 76.6 million credit card transactions, an increase of 12.6%. In financial volume, the amount transacted totaled R$25.6 billion, reflecting a growth of 20.7% compared to the nine months of 2020. Of this amount, R$14.6 billion with debit cards and R$11.0 billion with credit cards.

Insurance

The portfolio of solutions includes Personal Insurance, Property Insurance, Capitalization Bonds and Supplementary Pension Plans. **Allianz Seguros'** new mass insurance policies were made available to customers and a new **AP Perfil Accident** insurance was launched, offering 24-hour emergency dental care and monthly drawings. In line with the Covid-19 restrictions, the offer of products via Banrisul Digital was expanded. In the pension plan area, there was the inclusion of new products: **Prestige** and **Prev Júnior**.

In January 2021, Banrisul Corretora de Seguros S.A. entered into operational phase, which gradually absorbed all operations aimed at this market in Banrisul. The collection of insurance premiums, pension contributions and capitalization reached **R$1.8 billion** in the first nine months of 2021, an increase of 37.0% compared to the same period in 2020, while total revenues reached R$221.4 million and income from insurance commissions reached R$198.2 million in the period.

Customer Relations

Service

Banrisul followed the transformations in the relations model with customers, driven, in particular, by the Covid-19 pandemic. With a focus on meeting demands with excellence, practicality and safety, in the third quarter of 2021, the Bank **resumed service at branches**, in a more dynamic, safe and comfortable way. The **Afinidade** segment continued to service by direct appointment with the account manager, according to the flow already adopted before the pandemic.

1,055
Service Stations

499
Branches

476 in Rio Grande do Sul
17 in Santa Catarina
4 in other states
2 abroad

556
Service Stations

142 service stations (PAs)
414 electronic service stations (PAEs)

1,085
Active correspondents

Digital Channel

Over the nine months of 2021, Banrisul expanded its range of services in digital channels to improve the journey of customers: **77.9% of transactions carried out** by the Institution are via digital means, also including correspondents, cashiers and Banrifone.

The Internet Banking (Home and Office Banking) and Mobile Banking (My Account, Afinidade and Office App) channels had 321.4 million accesses, 23.2% higher than the same period in 2020.

The total number of operations carried out in these channels decreased by 11.6%. However, among these, the number of financial transactions was 5.7% higher and the volume transacted 17.3% higher, compared to the same period in 2020.

77,9%

of the operations carried out are by digital means

Internet Banking channels had an average of

1.2 million

daily acesses

The **PIX service** was enhanced with the possibility of payment and receipt at Office Banking, scheduling and consultation of scheduled operations, QR Code generation, increase and possibility of customizing the limit for operations and inclusion of a PIX communication channel in Banrisul Digital. The availability of Open Banking services was also started, based on data sharing with other financial institutions.

Always focused on ensuring the security and protection of customers, preventing scams and fraud, an additional step for activating a virtual card was implemented. In the evaluation of app stores, Banrisul Digital achieved a score of 4.1 in the Play Store and 4.2 in the Apple Store (scales 1 to 5).

Main Subsidiaries of the Banrisul Group

Banrisul Cartões

Manages the Vero acquiring network and the issuance of BanriCard benefit and business cards. Gross operating revenue totaled R$425.3 million in the nine months of 2021, an increase of R$44.5 million or 11.7% compared to the previous year. Of this total, R$421.0 million comes from the revenues of the acquiring network.

Banrisul Cartões's net income accumulated in the nine months of 2021 was R$193.8 million, an increase of 12.3% compared to the same period of the previous year.

Banrisul Cartões released a material fact stating that the Board of Directors of its controller, Banco do Estado do Rio Grande do Sul S.A., approved a proposal from its Board of Executive Officers to initiate the process aimed at implementing a strategic operation aimed at the segment means of payment and cards business, consolidated in the Company.

Banrisul Administradora de Consórcios

With 75.8 thousand members, it manages consortium groups for the acquisition of goods in the movable property, real estate and services segments, with alternatives for the acquisition of goods suited to market demands and the new social behavior imposed by the Covid-19 pandemic.

In the nine months of 2021, the volume of letters of credit totaled R$5.2 billion, with 8.9 thousand draws, making available to the market the volume of credit of R$509.6 million for the purchase of consumer goods. Net income registered until September 2021 reached R$38.1 million, an increase of 21.7% compared to the same period of the previous year.

Banrisul Seguridade e Participações

Continuing the restructuring of the insurance business, the company Banrisul Corretora de Seguros S.A. entered into operation, which is a wholly owned subsidiary of the holding Banrisul Seguridade Participações S.A., with capital fully held by the Bank.

The income received - referring to commissions for the sale of insurance, private pension plans and capitalization bonds - will be paid by the partner insurance companies, directly to Banrisul Corretora de Seguros.

In the nine months of 2021, Banrisul Seguridade's net income was R$85.6 million.

Banrisul Corretora de Valores Mobiliários e Câmbio

It operates in the capital market as an intermediary in variable income operations – in the stock, options and future markets – and in private fixed income and public fixed income (Tesouro Direto), with B3 S.A.

As of January 4, 2021, Banrisul Corretora de Valores became the full manager of the investment funds of the Banrisul conglomerate – fixed income, variable income and multimarket. In this way, the Institution incorporated a portfolio of products that, along with its qualified technical support services, contribute to the diversification of investments, with quality and safety. A set of funds, called mirror funds, is expected to be launched in the next quarter, distributed through the branch network and digital channels.

In the 9 months of 2021, Banrisul Corretora de Valores intermediated R$4.6 billion in operations at B3 S.A. - Brasil, Bolsa, Balcão, representing a decrease of 15.9% in relation to the same period in 2020. Net income accumulated up to September 2021 was R$6.4 million.

Corporate Governance

Listed under Level 1 of Corporate Governance at B3 S.A. since 2007, and in line with the best market practices, Banrisul fully meets the requirements of this level of listing and additional aspects that are required by other levels of Governance at B3, giving it greater transparency, equity and adequate accountability, seeking to generate value for its shareholders and reinforce its credibility with investors and customers.

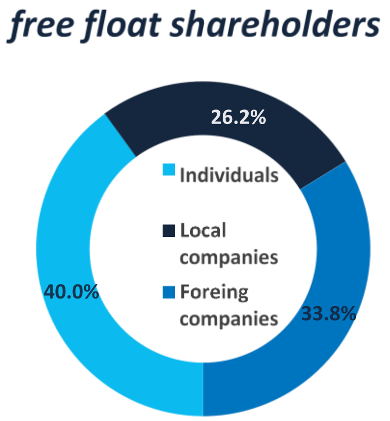
Pursuant to CMN Instruction No. 381/03, Banrisul informs that the company Deloitte Touche Tohmatsu, hired in 2021, provided services exclusively related to independent audit in the first half of 2021.

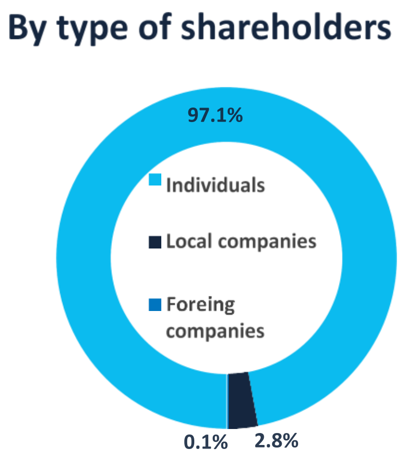
Ownership Structure

With a total of 162,000 shareholders, Banrisul has a higher-than-required ownership dispersion for the Level 1 of Corporate Governance: free float represents 50.6% of the total shares issued by the Bank, while the minimum required is 25.0%. The State of Rio Grande do Sul, the controlling shareholder, holds 98.1% of the common shares with voting rights and 49.4% of Banrisul's Total Capital.

Banrisul's shares are traded under tickers BRSR3, BRSR5 and BRSR6, the latter being the most liquid share, present in seven indices of B3 S.A - Brasil, Bolsa, Balcão.

Additional information on Banrisul's shareholder base and share trading is presented below:

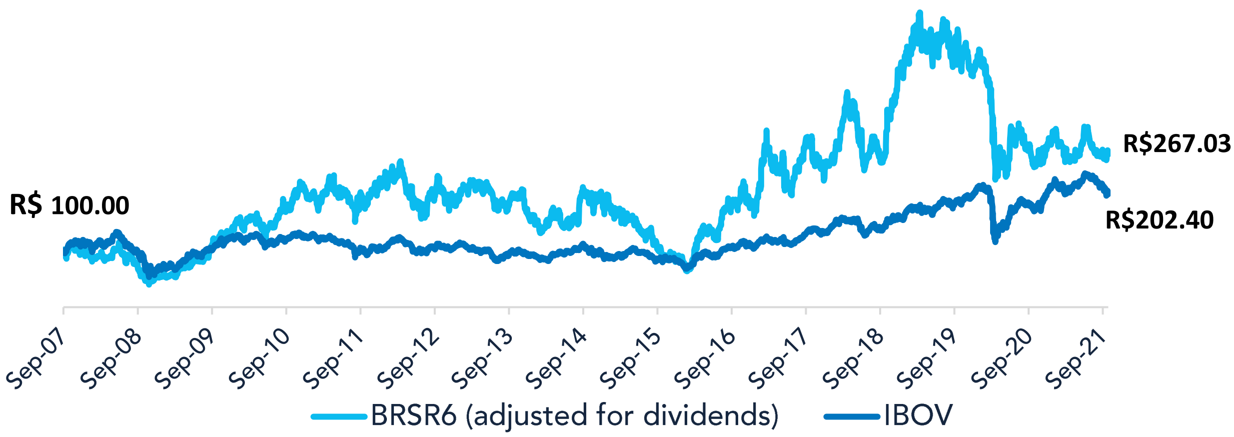




Below are some great numbers on transactions in Banrisul shares:

Appreciation of Banrisul PNB Shares - BRSR6

Evolution of R$100.00 invested in the *Follow On* carried out in 2007.



R$4.8 billion

of market value

R$20.1 million

Average Daily Trading Volume (3Q2021)

8.7%

Dividend Yield in 12 months

Ratings

The following table shows Banrisul's ratings, according to the main global risk rating agencies:

Fitch Ratings	
Foreign Currency - Long-Term IDR	BB-
Foreign Currency - Short-Term IDR	B
Local Currency - Long-Term IDR	BB-
Local Currency - short-Term IDR	B
National Rating - Long-Term Rating	A+(bra)
National Rating - Short-Term Rating	F1(bra)
Support Rating	4
Viability Rating	bb-
Tier II Capital Subordinated Notes	B
Outlook National Rating	Stable
Outlook Foreign-Currency. Long-Term IDR	Negative
Moody's	
Outlook	Negative
Bank Deposits	Ba3/NP
Individual Credit Risk	ba3
Counterparty Risk Assessment	Ba2(cr)/NP(cr)
Subordinate	B1
Issuer Rating - Location	A+.br
Deposit Rating – Short Term – Local	ML A-1.br
Deposit Rating – Long Term – Local	A+.br
Perspective - Location	Stable
Standard & Poor's	
Issuer Credit Rating Global scale	BB-
Outlook – Global scale	Stable
Issuer Credit Rating - National scale	brAA+
Outlook – Nacional scale	Positive
Individual Credit Profile (SACP)	bb-

Interest on Equity and Dividends Payout Policy

Since early 2008, Banrisul has been paying interest on equity every quarter, and historically has remunerated its shareholders with a payout policy higher than the minimum legally required level. From January to September 2021, R$323.5 million were paid or provisioned as interests on equity or dividends, before taxes.

Capital and Risk Management

Integrated Management Structure

The institutional structures of capital management and corporative risks management are reviewed at least annually, along with the Pillar Report 3, and are available on the Banrisul Investors Relations website at Corporate Governance/Risk Management, as well as other public reports relating to Risk Management and the calculation of the amount of Risk-Weighted Assets - RWA, Reference Equity - RE and Leverage Ratio.

Capital Management

The capital management is a continuous process of monitoring, controlling, evaluation and planning of goals and capital needs considering risks that the Institution is subject to, as well as with its strategic objectives. In order to improve this process, the National Monetary Council - CMN, through Resolution No. 4,557 / 17, determined that the financial institutions required to calculate the RWA must have a continuous capital management structure compatible with the nature of their operations, the complexity of products and services offered, and the extent of their exposure to risks. For institutions in the S2 segment, as an improvement in capital management, the Simplified Internal Capital Adequacy Assessment Process, the ICAAPSIMP. was introduced.

Credit Risk

The challenging scenario caused by the pandemic affects individuals and business' financial capacity. Thus, governments and regulatory bodies have developed measures seeking to compensate its economic effects, including the use of regulatory demands in order to encourage the continuity of credit offer by financial institutions. Banrisul, committed to contributing with the economic and social development of the State of Rio Grande do Sul, has made promptly available, by suiting its credit policies, products and services to help mitigate the impacts of Covid-19.

Market Risk

In the third quarter of 2021, Banrisul has participated, together with the banking industry through Febraban, in the discussions for the alignment of Resolution BCB 111, which provides for the criteria for the classification of instruments in the trading book or in the banking book, the requirements of governance relating to the trading desks where instruments subject to market risk are managed and on the requirements for the recognition of internal transfers of risk in the determination of minimum requirements.

Discussions also began on Public Consultation Notice 88/21 (BCB) which establishes the procedures for calculating the portion of risk-weighted assets - RWA related to the calculation of capital required for exposures to credit risk of instruments financial assets classified in the trading portfolio - RWADRC. Notice 88/21 is another step in the Fundamental Review of the Trading Portfolio on a set of proposals from the Basel Committee on Banking Supervision for a new capital requirement related to market risks.

Liquidity Risk

In the third quarter of 2021, the liquidity risk monitoring processes did not indicate the occurrence of liquidity crisis events. The monitoring processes and scenarios used in the projections of the results of the cash flows of the operations did not indicate relevant liquidity risks, as well as no materialization of any projected stress scenario in the positions occurred, and the risk indicators remained at adequate levels in accordance with the risk policy and the limits established in the Risk Appetite Statement.

Operational Risk

In 9M2021, projects and activities were carried out to adapt the operational risk database to comply with Central Bank of Brazil Circular No. 3979/20. Highlighting the associations between loss events and risks, allowing the assessment of operational risks and the consequent adoption of mitigation measures to be based on more consistent data, helping in the decision-making process.

Aiming the continuity of operations and the management of impacts caused by the Covid-19 pandemic, the Company is implementing measures to minimize the exposure of customers and employees to contagion, without jeopardizing activities. The initiatives adopted are detailed in note 31 (d).

Socio-environmental Risk

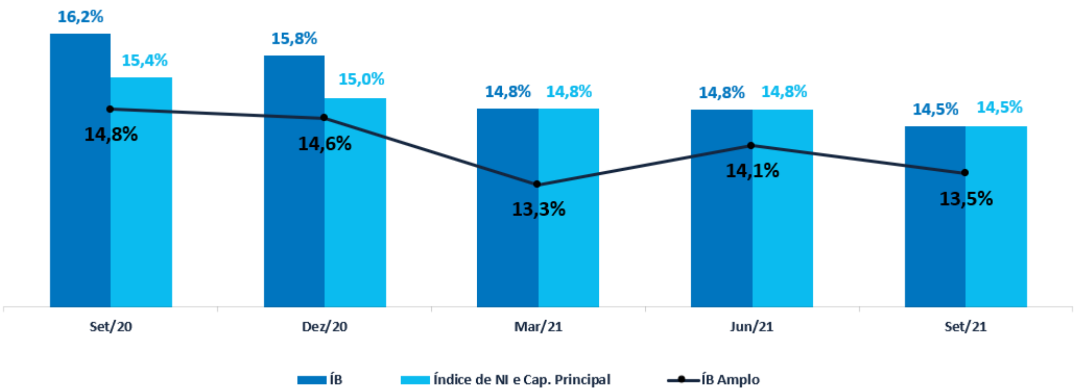
Socio-environmental risk management in operations covers financing, projects and operations, whose characteristics make it possible to previously identify the allocation of resources, observing the proportionality and relevance criteria, not preventing those that do not fit the definition above from being analyzed. Regarding activities, it encompasses the waste management process, observing the requirements required when contracting suppliers, and monitoring contracts with third parties during their term, aiming at mitigating the associated socio-environmental risks. The results of the analyzes and the records of events are reported to the deliberative committees, following the governance structure defined in the corporate risk policies, including the Executive Board, the Risk Committee and the Board of Directors.

In compliance with Central Bank of Brazil Circular No. 3979/20 and update of Febraban's SARB self-regulation standard No. 14, projects and activities are being carried out aiming the improvements in socio-environmental risk management and integration of the risk arising from climate change with other relevant risks.

Basel Ratio

CMN Resolutions 4,192/13 and 4,193/13 determine that the calculation of regulatory capital and risk-weighted assets is based on the Prudential Conglomerate. The Basel Index measures the ratio between the sum of Tier I Capital - CNI and Tier II Capital - CNII and the total risk-weighted assets calculated for the base date. The maintenance of Capital Ratios above the levels defined by the regulator seeks to protect Banrisul in case of stress events.

Capital Management seeks to leverage the application of available resources, in addition to ensuring the Institution's solvency. The variation of the Basel Index – IB in the last 12 months is presented below.



On September 30, 2021, the Basel Ratio reached 14.5%, 4.8 p.p. above the minimum regulatory level with additional principal capital (9.625%). For this same period, the Core Capital Ratio and the Tier I Ratio are equal to the Basel Ratio, being, respectively, 8.3 p.p. and 6.8 p.p. above the regulatory minimum.

Investments in Innovation

Technological modernization is embedded in Banrisul's DNA, the result of a wide and constant investment in the sector. In 9M2021, R$243.1 million were invested in digital transformation, expansion of the IT infrastructure and the increasing commitment to information security. Thus, Banrisul progresses consistently, committed to providing an increasingly complete, effective and secure digital experience to its customers.

Measures and Initiatives

The Covid-19 pandemic spurred a disruptive digital transformation landscape that was already underway. The great challenge today is to meet the requirements of information secrecy, with an improved technological infrastructure. With this focus, Banrisul completed the construction of the new Datacenter, sustainable and with a high standard of security. Another highlight is Pix, a system in which transaction monitoring was implemented by the Anti-Fraud System, a service for managing customer limits, a transaction scheduling service and an online fee demonstration.

Advances in the application experience stood out, such as push communication, the possibility for the user to renew CDBs and create financial goals, the opening of the University Account with document upload, the consultation of check images, the automated publication of banners, and notices targeted by customer profile and the new presentation of Authorized Direct Debit - DDA.

In the context of **Vero Wallet**, the highlight was the launch of the Web Sales Monitor, allowing sellers to check the payment effect on sales made without the use of the "little machine". In agribusiness, the launch of **Agrofácil Conecta** facilitated the preparation and submission of technical projects, increasing accessibility to Banrisul's products for the sector.

Open Banking - In January 2021, **Phase 1** of Open Banking was implemented, referring to the opening of institutional data related to service channels and information on banking products and services offered, which include information on rates, fees, checking account guarantees, operations credit cards and credit cards.

Banrisul was the first bank in Brazil to receive the certification that authorizes the sharing of customer information within Open Banking

In August 2021, **Phase 2** was implemented, which enabled the sharing — between Banrisul and other institutions — of registration and financial data, with the client's consent, according to the Central Bank's schedule. This stage involved accessing information about account transactions, credit cards and credit products contracted with Banrisul.

The adoption of new technologies and architectures, in an evolutionary and integrated way, provided a greater productivity gain in the implementation of its APIs: acronym in English, which means Application Programming Interface.

Currently, **Phase 3** is under development — which corresponds to the sharing of the PIX payment transaction initiation service.

Banrisul continuously improves the Information Security mechanisms. Following up on the actions with this focus, the compliance process was evaluated, which includes the requirements for the implementation of Open Banking. In line with market transformations, the Institution also participates in forums for discussion and definition of Open Banking Brazil, through Technical User Experience Groups, Bacen and Febraban.

Another highlight is the renewal of the **PCI - PIN Security** certifications, which ensure permanence in the market for capturing payment transactions on the Vero network, and PCI DSS on the Vero network, ensuring the viability of the business of acquiring VISA, MasterCard and Link.

In accordance with Bacen Resolution No. 4,893/21, with regard to Information Security and Cybernetics, an internal training program was implemented with periodic personnel assessment, as well as a major campaign to raise awareness and prevent scams and frauds, for internal and external audiences: the Safer Internet Day. The Receivables Register Project was also implemented, in compliance with the provisions of Circular No. 3,952/19 and Bacen Resolution 4,734/19.

BanriHub

The initiative was created with the purpose of supporting actions and projects to boost the innovation ecosystem in the State of Rio Grande do Sul and improve Banrisul's processes and solutions. It is structured on four strategic pillars:

Hub.Startup

Banritech, Startup Acceleration program, in partnership with TecnoPuc).

Hub.Venture

Participation in funds aimed at innovation.

Hub.Education

Training, mentoring and exchanges between Bank professionals, market specialists and entrepreneurs on topics related to innovation.

Hub.Space

Space designed to incubate accelerated startups in the Program and promote networking, with meeting rooms, pitch arena, recording studio.

One of the highlights of the quarter was the inauguration of **BanriTech's physical space,** Hub.Space, which will function as a true coworking of startups, promoting meetings, connections and establishing partnerships and solutions that serve society, with the capacity to receive up to 30 companies from innovation selected in public notice.

The support for innovation also takes place, in practice, through participation in the **Caldeira Institute**, of which Banrisul is one of the founders, and the master sponsorship of NAVI, a hub that encourages startups focused on Artificial Intelligence at TecnoPuc.

Sustainability

The Institution works to propagate environmental practices adhering to Banrisul's Social and Environmental Responsibility Policy - PRSA, which establishes the sustainability guidelines of the Banrisul Group companies, with the objective of continuously improving the integration of sustainable principles in its business strategy, organizational culture and daily activities. This is a fundamental step to attract attention and involve employees, customers and shareholders in projects based on eco-efficiency and proper management of natural resources.

Social and environmental issues are developed in an integrated manner, in the areas of risk management, business and services. This helps ensure better processes, as well as managing social and environmental risk. The review of the sustainability strategic plan, based on the ESG pillars (from the English “environmental, social and governance”), strengthens and promotes actions, always in line with the Bank's guidelines.

The official publication of the **first greenhouse gas inventory** earned Banrisul the silver seal of the Brazilian GHG Protocol Program

Among the advances in sustainability management, during the nine months of 2021, the official publication, on the platform of the Public Registry of Emissions of FGVces - Center for Sustainability Studies of the Getúlio Vargas Foundation, of its first inventory of greenhouse gases – GHG.

In line with established guidelines, the project for the migration of consumer units to renewable energy is in progress. It is also worth mentioning Banrisul's adhesion to the Carbon Disclosure Project - CDP. The publication of the 2020 Sustainability Report strengthened the Bank's commitment to promoting initiatives that encourage a fairer, more environmentally correct and culturally diverse society. For the fourth quarter, Banrisul will count on the services of a specialized consultancy to improve the strategic management of sustainability and mitigation of greenhouse gases.

People

During the height of the pandemine, around 90% of employees in administrative areas remained in the home office. As of October/2021, the Bank started to return employees in person in a gradual, staggered and safe manner. In this sense, the Health Consultancy with Hospital Moinhos de Vento was renewed. To ensure more protection, including customers, employees received PFF2 masks.

In **Human Resources,** a consultancy was hired, which reinforced the area's strategic role, based on the review of processes. The first evolution refers to **Skills Management**. An **Engagement Survey** was also carried out with all Banrisul employees, with the aim of listening to them on topics relevant to the Institution and enabling improvements.

9,080
employees

1,923
interns

44.9%
Female employees

39.9%
Women occupy of the management positions

Regarding the **Corporate University**, 2,582 improvement and training courses were made available. Banrisul also offers subsidies to encourage the qualification of its employees. The total investment in **Corporate Education** was **R$2.7 million** in the nine months of 2021.

Social, Environmental, Cultural and Community Support Programs

Banrisul focuses on good corporate practices and reaffirms its vision of the future. The Solid Waste Management Plan - PRGS ensures the proper destination of waste, such as furniture, which is donated to public entities.

Aiming to expand social inclusion, and in compliance with current environmental legislation, the Bank is part of the **Deliberative Committee of the Sustentare Program**, allocating useless electronic equipment for de-characterization through prison work and subsequent recycling. The initiative, instituted by the Government of the State of Rio Grande do Sul, is intended to promote the correct disposal and recycling of equipment, and the preservation of ecosystems.

Another initiative is the **Programa Sementes Banrisul**, which encourages ecologically-based agriculture and encourages sustainable rural development strategies through food production. The cultivation takes place from the distribution of agroecological seeds of several species, including vegetables, ornamental plants, forages and grains. The program benefits family farmers, indigenous communities and quilombolas in vulnerable situations.

Also reinforcing its social role, the Institution is in the 18th class of the **Projeto Pescar**, in partnership with the Foundation of the same name. At the moment, 20 young people are assisted with a Professional Initiation course in Administrative Services, taught by volunteer instructors from the Bank.

Aware of the moment of pandemic, the Bank allocated approximately R$7 million in health services and equipment to help fight Covid-19. In this context, 6 DNA/RNA extractors were delivered to perform Covid-19 tests, with inputs, to 6 universities and 77 respirators with monitors to 19 hospitals in Rio Grande do Sul.

Awards

February 2021

Banrisul elected the best fixed-income investment fund manager

Banrisul won first place among investment fund managers in the Fixed Income Specialist category, in a survey carried out by Fundação Getúlio Vargas - FGV.

April 2021

Featured as the Greatest Brand from Rio Grande do Sul

Banrisul is the highlighted brand in the minds of business managers and executives in the Rio Grande do Sul market in the Greatest Brand from Rio Grande do Sul category and the preferred brand in the Publicly-Owned Company category. The awards were presented by the 23rd edition of the Marcas de Quem Decide survey, promoted by Jornal do Comércio in partnership with Qualidata.

Abril 2021

Featured in the Top 20 stocks with the best dividend yield in the last 10 years

Banrisul is present in the survey carried out by the Economatica platform, which ranked the Top 20 shares with the best dividend yield in the decade, between April 2011 and April 2021.

April 2021

Banrisul is featured in Forbes

Banrisul was featured in the World's Best Banks 2021 report, by Forbes, where it appears in the list of the 15 best banks in Brazil.

April 2021

Featured among the 100 best banks in the world

The list is compiled by the international publication CEOWorld.

May
2021

Innovation Champions Ranking

The Bank was featured in the 17th edition of the Innovation Champions Ranking, promoted by Grupo Amanhã and IXL-Center — a global technical partner headquartered in the United States. Banrisul is among the five companies that received recognition in the special State-Owned & Philanthropic category, reaching second place.

July
2021

Banrisul's investment funds are featured in the national ranking

Banrisul's investment fund portfolio received national prominence with Banrisul Foco IRF-M Fixed Income and Banrisul Index Ações, which are among the 10 most profitable in the last three years, according to Guia Valor de Investimento Funds.

September
2021

Tribute for supporting Sogipa's Olympic athletes

The Porto Alegre - Sogipa Gymnastics Society, from Porto Alegre, paid a special tribute to Banrisul, sponsor of the club's Olympic Project, which had two medalists at the Tokyo Olympic Games: judokas Mayra Aguiar and Daniel Cargnin.

September
2021

Banrisul Armazéns Gerais is featured in the RS Export Award

Banrisul Armazéns Gerais - Bagergs, a Banrisul Group company, received the RS Export Award. The distinction was granted by ADVB/RS in the Highlight Export Support Services category.

September
2021

Banrisul's credit card app is the 3rd best on the marke

The Banrisul Digital application was highlighted in a survey released by Cardmonitor, a company from São Paulo specialized in research and evaluation of trends in the card market. The study revealed that Banrisul's app is among the best in the national market, compared to the top 40 credit card apps in the market.

Acknowledgment

With the perspective that the economic recovery is advancing in the country, Banrisul presents itself as a protagonist alongside the productive sectors to be an agent of development and leverage its performance in the market.

The factors that contribute to the Institution's performance are based on the credibility and partnership of its investors, clients and employees — which form a strong link in Banrisul's solidity and transformation.

The Executive Board

Financial Statements

BALANCE SHEET

(IN THOUSANDS OF REAIS)

ASSETS	Note	Parent Company 09/30/2021	Parent Company 12/31/2020	Consolidated 09/30/2021	Consolidated 12/31/2020
Cash	4	1,669,781	1,263,595	1,669,927	1,263,648
Financial Instruments		94,805,500	86,163,895	96,994,136	88,011,432
Interbank Lending Market Investments	5	8,799,128	6,040,268	8,800,744	6,041,572
Compulsory Deposits of Central Bank of Brazil	6	7,983,621	7,750,609	7,983,621	7,750,609
Securities	7	35,921,588	31,550,155	36,145,131	31,645,202
Derivative Financial Instruments	8	819,882	844,599	819,882	844,599
Loans	9	35,969,497	34,860,941	35,969,497	34,860,941
Other Financial Instruments	10	5,296,939	5,097,718	7,260,416	6,848,904
Leases	9	14,845	19,605	14,845	19,605
(Provisions for Expected Losses Associated with Credit Risk)	9e	(2,741,889)	(2,811,892)	(2,747,212)	(2,813,138)
(Loans)		(2,544,148)	(2,590,995)	(2,544,148)	(2,590,995)
(Leases)		(5,238)	(6,587)	(5,238)	(6,587)
(Other Credits)		(192,503)	(214,310)	(197,826)	(215,556)
Tax Assets		3,441,132	3,113,232	3,549,970	3,119,592
Current		263,697	47,304	366,711	49,021
Deferred	11	3,177,435	3,065,928	3,183,259	3,070,571
Other Assets	12	785,752	888,145	778,639	817,994
Investments		2,236,319	1,919,646	164,815	177,951
Investments in Associates and Subsidiaries	13	2,228,525	1,912,302	157,021	170,607
Other Investments		7,794	7,344	7,794	7,344
Property and Equipment	14	365,186	333,015	471,839	439,693
Property and Equipment		971,841	924,030	1,127,334	1,068,140
(Accumulated Depreciation)		(606,655)	(591,015)	(655,495)	(628,447)
Intangible Assets	15	766,346	805,606	766,442	805,729
Intangible Assets		1,746,806	1,639,318	1,749,244	1,641,756
(Accumulated Amortization)		(980,460)	(833,712)	(982,802)	(836,027)
TOTAL ASSETS		**101,328,127**	**91,675,242**	**101,648,556**	**91,822,901**

LIABILITIES	Note	Parent Company 09/30/2021	Parent Company 12/31/2020	Consolidated 09/30/2021	Consolidated 12/31/2020
Deposits and Other Financial Instruments		87,292,524	78,756,045	87,331,773	78,730,375
Deposits	16	64,166,172	62,820,455	63,409,002	62,446,503
Repurchase Agreements	16	9,041,102	4,573,384	8,948,284	4,362,437
Funds from Acceptance and Issuance of Securities	16	1,900,781	2,727,755	1,606,917	2,440,535
Borrowings	17	2,359,916	425,868	2,359,916	425,868
Onlendings	17	1,365,345	1,473,113	1,365,345	1,473,113
Derivative Financial Instruments	8	96,848	-	96,848	-
Other Financial Liabilities	18	8,362,360	6,735,470	9,545,461	7,581,919
Provisions	19	2,325,269	2,007,316	2,331,237	2,012,954
Tax Liabilities		639,197	494,784	829,926	561,565
Current		223,898	88,122	413,537	154,135
Deferred	11b	415,299	406,662	416,389	407,430
Other Liabilities	20	2,324,003	2,073,035	2,406,149	2,171,792
TOTAL LIABILITIES		**92,580,993**	**83,331,180**	**92,899,085**	**83,476,686**
EQUITY	**21**	**8,747,134**	**8,344,062**	**8,749,471**	**8,346,215**
Capital		5,200,000	5,200,000	5,200,000	5,200,000
Capital Reserves		4,511	4,511	4,511	4,511
Profit Reserves		3,742,995	3,411,250	3,742,995	3,411,250
Income		(253,431)	(271,699)	(253,431)	(271,699)
Accumulated Profit		53,059	-	53,059	-
Non-controlling Interest		-	-	2,337	2,153
TOTAL LIABILITIES AND EQUITY		**101,328,127**	**91,675,242**	**101,648,556**	**91,822,901**

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

INCOME STATEMENT

(IN THOUSANDS OF REAIS, EXCEPT EARNINGS PER SHARE)

	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
Income from Financial Intermediation		**5,671,270**	**6,715,806**	**5,678,379**	**6,722,565**
Loans, Leases and Other Credits		4,175,685	4,404,047	4,175,815	4,404,185
Securities		1,106,088	651,503	1,113,067	658,124
Derivative Financial Instruments		80,299	1,003,719	80,299	1,003,719
Foreign Exchange		75,988	406,251	75,988	406,251
Compulsory Investments		233,210	250,286	233,210	250,286
Expenses from Financial Intermediation		**(2,026,934)**	**(2,935,484)**	**(2,006,084)**	**(2,922,188)**
Deposits and Securities Sold Under Repurchase Agreements		(1,801,193)	(2,402,826)	(1,780,342)	(2,389,529)
Borrowings, Assignments and Onlendings		(225,741)	(532,658)	(225,742)	(532,659)
Net Income from Financial Intermediation		**3,644,336**	**3,780,322**	**3,672,295**	**3,800,377**
Provisions for Expected Losses Associated with Credit Risk		**(628,521)**	**(1,098,902)**	**(632,098)**	**(1,100,235)**
Other Operating Income		**1,442,762**	**1,503,605**	**1,822,280**	**1,782,306**
Income from Services Rendered and Bank Fees	22a	738,336	915,645	1,456,569	1,434,128
Result of Participation in Associates and Subsidiaries	13	363,335	249,481	33,669	38,410
Other Income	22b	341,091	338,479	332,042	309,768
Other Operating Expenses		**(3,640,030)**	**(3,514,607)**	**(3,872,901)**	**(3,701,765)**
Personnel Expenses	23a	(1,384,593)	(1,475,331)	(1,400,073)	(1,488,861)
Other Administrative Expenses	23b	(1,215,610)	(1,133,463)	(1,289,095)	(1,205,046)
Tax Expenses		(249,323)	(277,035)	(345,911)	(346,881)
Other Expenses	23c	(790,504)	(628,778)	(837,822)	(660,977)
Net Operating Income		**818,547**	**670,418**	**989,576**	**780,683**
Income Before Income Tax and Profit Sharing		**818,547**	**670,418**	**989,576**	**780,683**
Income Tax and Social Contribution	**24**	**(22,390)**	**(92,215)**	**(193,203)**	**(202,354)**
Current		(128,691)	(303,970)	(300,357)	(414,489)
Deferred		106,301	211,755	107,154	212,135
Employee Profit Sharing		**(95,394)**	**(83,076)**	**(95,395)**	**(83,067)**
Non-controlling Interest		**-**	**-**	**(215)**	**(135)**
Net Income in the Period		**700,763**	**495,127**	**700,763**	**495,127**
Net Income Atributable to Shareholderes					
Controlling					
Non-Controlling		700,763	495,127	700,763	495,127
Earnings per Share	**25**	-	-	215	135
Basic and Diluted Earnings per Share (in Reais - R$)					
Common Shares					
Preferred Shares A		1.71	1.21	1.71	1.21
Preferred Shares B		1.80	1.26	1.80	1.26
		1.71	1.21	1.71	1.21

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

STATEMENT OF COMPREHENSIVE INCOME

(IN THOUSANDS OF REAIS)

	Parent Company		Consolidated	
	01/01 a 09/30/2021	01/01 a 09/30/2020	01/01 a 09/30/2021	01/01 a 09/30/2020
Net Income Attributable to Shareholders	**700,763**	**495,127**	**700,763**	**495,127**
Non-controlling Interest	-	-	215	135
Net Income Attributable to Shareholders in the Period	**700,763**	**495,127**	**700,978**	**495,262**
Items That May Be Reclassified Into the Income Statement	**18,268**	**161,835**	**18,268**	**161,835**
Securities available for sale	(6,521)	(625)	(6,521)	(625)
Change in Fair Value	(10,865)	(1,015)	(10,865)	(1,015)
Tax Effect	4,344	390	4,344	390
Foreign Exchange Variations on Investments Abroad	24,789	162,460	24,789	162,460
Total Adjustments Not Included in Period Net Income	**18,268**	**161,835**	**18,268**	**161,835**
Total Comprehensive Income for the Period, Net of Tax Income and Social Contribution	**719,031**	**656,962**	**719,246**	**657,097**
Comprehensive Income Attributable to Controlling interests	719,031	656,962	719,031	656,962
Comprehensive Income Attributable to Non-controlling interests	-	-	215	135

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

STATEMENT OF CHANGES IN EQUITY

(IN THOUSANDS OF REAIS)

		Attibutable to Controlling Shareholders										
				Profit Reserves								
	Note	Capital	Capital Reserves	Legal	Statutory	For Expansion	Special Profit Reserve	Other Valuation Adjustments	Retained Earnings	**Total Parent Company**	Non-controlling Interest	**Total Consolidated**
Balance as of January 01, 2020		**5,200,000**	**4,511**	**596,276**	**2,069,074**	**207,501**	**-**	**(284,995)**	**-**	**7,792,367**	**1,995**	**7,794,362**
Other Valuation Adjustments												
Mark-to-Market of Available-for-Sale Securities		-	-	-	-	-	-	(625)	-	(625)	-	(625)
Foreign Exchange Effects on Investments Abroad		-	-	-	-	-	-	162,460	-	162,460	-	162,460
Change in Non-controlling Interest		-	-	-	-	-	-	-	-	-	112	112
Reclassification of Results for Future Years		-	-	-	-	-	-	-	4,439	4,439	-	4,439
Net Income in the Perid		-	-	-	-	-	-	-	495,127	495,127	-	495,127
Allocation of Net Income	21c											
Constituition of Reserves		-	-	18,865	94,325	166,131	-	-	(279,321)	-	-	-
Interest on Equity		-	-	-	-	-	-	-	(100,967)	(100,967)	-	(100,967)
Balance as of September 30, 2020		**5,200,000**	**4,511**	**615,141**	**2,163,399**	**373,632**	**-**	**(123,160)**	**119,278**	**8,352,801**	**2,107**	**8,354,908**
Balance as of January 1st, 2021		**5,200,000**	**4,511**	**632,650**	**2,250,943**	**504,458**	**23,199**	**(271,699)**	**-**	**8,344,062**	**2,153**	**8,346,215**
Other Valuation Adjustments												
Mark-to-Market of Available-for-Sale Securities		-	-	-	-	-	-	(6,521)	-	(6,521)	-	(6,521)
Foreign Exchange Effects on Investments Abroad		-	-	-	-	-	-	24,789	-	24,789	-	24,789
Change in Non-controlling Interest		-	-	-	-	-	-	-	-	-	184	184
Approval of Dividends from Previous Period		-	-	-	-	-	(23,199)	-	-	(23,199)	-	(23,199)
Reclassification of Results for Future Years		-	-	-	-	-	-	-	4,484	4,484	-	4,484
Period Net Income		-	-	-	-	-	-	-	700,763	700,763	-	700,763
Allocation of Net Income	21c											
Constitution of Reserves		-	-	27,208	136,040	165,417	-	-	(328,665)	-	-	-
Interest on Equity		-	-	-	-	-	-	-	(297,244)	(297,244)	-	(297,244)
Additional Dividend Proposed		-	-	-	-	-	26,279	-	(26,279)	-	-	-
Balance as of September 30, 2021		**5,200,000**	**4,511**	**659,858**	**2,386,983**	**669,875**	**26,279**	**(253,431)**	**53,059**	**8,747,134**	**2,337**	**8,749,471**

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

CASH FLOW STATEMENT

(In Thousands of Reais)

	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 Flow from Operating Activities				
Income Before Taxes Income and Employee Profit Sharing	**818,547**	**670,418**	**989,576**	**780,683**
Adjustments to Income Before Income Tax and Employee Profit Sharing				
Depreciation and Amortization	171,530	158,119	183,930	165,626
Share of Profit of Equity Accounted Investees	(363,335)	(249,481)	(33,669)	(38,410)
Deferred Taxes	-	(211,755)	-	(212,135)
Income from Subordinated Debt	278,396	1,086,370	278,396	1,086,370
Provisions for Expected Losses Associated with Credit Risk	628,521	1,098,902	632,098	1,100,235
Provision for Legal and Administrative Proceedings	503,152	360,429	504,252	359,611
Effects of the Exchange Rate Variation on Cash and Cash Equivalents	(8,945)	-	(8,945)	-
Adjusted Income Before Taxes on Income and Employee Profit Sharing	**2,027,866**	**2,913,002**	**2,545,638**	**3,241,980**
Changes in Assets and Liabilities	**2,838,040**	**7,665,433**	**2,396,828**	**7,464,179**
(Increase) in Interbank Deposits	(183,545)	(323,609)	(183,545)	(323,609)
(Increase) Decrease in Central Bank Compulsory Deposits	(233,012)	4,640,364	(233,012)	4,640,364
(Increase) in Trading Securities	(1,564,103)	(929,877)	(1,692,328)	(694,640)
(Increase) Decrease in Derivative Financial Instruments	121,565	(934,234)	121,565	(934,234)
(Increase) Decrease in Loans	(1,776,188)	(1,503,461)	(1,776,188)	(1,503,461)
Decrease in Leases	4,761	9,928	4,761	9,928
(Increase) Decrease in Other Financial Assets	(216,508)	54,341	(428,299)	225,589
(Increase) in Current and Deferred Tax Assets	(327,900)	(245,006)	(430,378)	(244,419)
(Increase) Decrease in Other Assets	38,530	(207,929)	39,355	(286,542)
Increase in Deposits	1,343,105	6,634,907	959,887	6,252,567
Increase in Repurchase Agreements (Repos)	4,467,718	778,381	4,585,847	813,977
(Decrease) in Funds from Acceptance and Issuance of Securities	(826,974)	(897,718)	(833,618)	(896,225)
Increase (Decrease) in Borrowings	186,867	(138,329)	186,867	(138,420)
Increase in Other Financial Liabilities	1,654,843	409,855	1,991,495	264,882
(Decrease) in Provisions	(185,199)	(312,066)	(185,969)	(312,211)
Increase in Deferred Tax Liabilities	346,658	36,728	498,025	35,665
Increase in Other Liabilities	189,667	808,311	2,027	790,730
Income Tax and Social Contribution Paid	(202,245)	(215,153)	(229,664)	(235,762)
NET CASH FROM (USED IN) OPERATING ACTIVITIES	**4,865,906**	**10,578,435**	**4,942,466**	**10,706,159**
CASH FLOW FROM INVESTING ACTIVITIES				
Dividends Received from Associates and Subsidiaries	106,353	114,983	35,509	15,805
(Increase) in Securities Available for Sale	(10,426)	(632)	(10,414)	(440)
(Increase) in Securities Held to Maturity	(2,803,425)	(5,538,043)	(2,803,708)	(5,538,265)
Disposal of Investments	7,185	1,488	9,321	1,488
Disposal of Property and Equipment	552	100	2,418	4,742
Acquisition of Investments	(5,820)	(6,188)	(832)	(3,791)
Acquisition of Property and Equipment	(54,420)	(76,807)	(68,634)	(112,436)
Acquisition of Intangible Assets	(107,766)	(30,584)	(107,766)	(30,584)
NET CASH FROM (USED IN) INVESTING ACTIVITIES	**(2,867,767)**	**(5,535,683)**	**(2,944,106)**	**(5,663,481)**
CASH FLOW FROM FINANCING ACTIVITIES				
Subordinated Debt	1,620,549	-	1,620,549	-
Payment of Interest on Subordinated Debt	(287,485)	(207,099)	(287,485)	(207,099)
Dividends	(23,199)	(73,706)	(23,199)	(73,706)
Interest on Equity Paid	(349,243)	(100,967)	(349,243)	(100,967)
Change in Non-controlling Interest	-	-	184	112
NET CASH (USED IN) FINANCING ACTIVITIES	**960,622**	**(381,772)**	**960,806**	**(381,660)**
Effects of the Exchange Rate Variation on Cash and Cash Equivalents	-	162,460	-	162,460
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**2,958,761**	**4,823,440**	**2,959,166**	**4,823,478**
Cash and Cash Equivalents at the Beginning of the Period	6,978,798	2,172,860	6,980,155	2,174,148
Effects of the Exchange Rate Variation on Cash and Cash Equivalents	22,740	-	22,740	-
Cash and Cash Equivalents at the End of the Period	9,960,299	6,996,300	9,962,061	6,997,626

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

STATEMENT OF ADDED VALUE
(In Thousands of Reais)

	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
INCOME (a)	**6,122,176**	**6,871,028**	**6,834,892**	**7,366,226**
Financial Income	5,671,270	6,715,806	5,678,379	6,722,565
Services Rendered and Bank Fees Income	738,336	915,645	1,456,569	1,434,128
Provisions for Expected Losses Associated with Credit Risk	(628,521)	(1,098,902)	(632,098)	(1,100,235)
Other	341,091	338,479	332,042	309,768
FINANCIAL INTERMEDIATION EXPENSES (b)	**(2,026,934)**	**(2,935,484)**	**(2,006,084)**	**(2,922,188)**
INPUTS ACQUIRED FROM THIRD PARTIES (c)	**(1,740,450)**	**(1,515,416)**	**(1,848,584)**	**(1,612,482)**
Supplies, Energy and Other	(1,247,766)	(1,083,967)	(1,337,112)	(1,150,513)
Third-party Services	(492,684)	(431,449)	(511,472)	(461,969)
GROSS ADDED VALUE (d=a-b-c)	**2,354,792**	**2,420,128**	**2,980,224**	**2,831,556**
DEPRECIATION AND AMORTIZATION (e)	**(171,530)**	**(158,119)**	**(183,930)**	**(165,626)**
NET ADDED VALUE PRODUCED BY THE COMPANY (f=d-e)	**2,183,262**	**2,262,009**	**2,796,294**	**2,665,930**
ADDED VALUE RECEIVED IN TRANSFER (g)	**363,335**	**249,481**	**33,669**	**38,410**
Equity in earnings (losses) in investees	363,335	249,481	33,669	38,410
ADDED VALUE FOR DISTRIBUTION (h=f+g)	**2,546,597**	**2,511,490**	**2,829,963**	**2,704,340**
DISTRIBUTION OF ADDED VALUE	**2,546,597**	**2,511,490**	**2,829,963**	**2,704,340**
Personnel	**1,286,183**	**1,354,774**	**1,300,360**	**1,367,112**
Salaries	979,241	1,033,543	990,488	1,043,298
Benefits	246,429	258,417	248,006	259,829
FGTS	60,513	62,814	61,866	63,985
Taxes, Fees and Contributions	**465,517**	**572,883**	**734,222**	**754,051**
Federal	425,011	525,152	664,654	683,885
State	13	7	44	26
Local	40,493	47,724	69,524	70,140
Remuneration on Third Party Capital	**94,134**	**88,706**	**94,403**	**87,915**
Rentals	94,134	88,706	94,403	87,915
Equity Remuneration	**700,763**	**495,127**	**700,978**	**495,262**
Interest on Equity	297,244	100,967	297,244	100,967
Dividends	26,279	-	26,279	-
Retained Earnings	377,240	394,160	377,240	394,160
Non-controlling Interests	-	-	215	135

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

Notes to the Financial Statements

We present below Notes to the financial statements, which are an integral part of the interim financial statements of Banco do Estado do Rio Grande do Sul S.A. (Banrisul), amounts expressed in thousands of Reais (unless otherwise indicated) and distribuited as follows:

NOTE 01 - OPERATIONS

Banco do Estado do Rio Grande do Sul S. A. ("Banrisul", "Institution"), Banrisul Group leading company, controlled by the State of Rio Grande Sul, is a publicly traded corporation which operates a multiple-service bank, headquartered in Brazil, at Rua Capitão Montanha, 177 – 4th floor, in the city of Porto Alegre, Rio Grande do Sul State and that is engaged in retail banking, lending, financing and investment, mortgage loan, development, lease portfolio, and foreign exchange activities. Through its subsidiaries and associates, Banrisul engages in various other activities, including securities brokerage, management of sales poll groups, payment industry solutions, insurance, and pension plan and saving bonds products. Financial market transactions are conducted within the context of an integrated group of financial institutions. Banrisul also operates as an economic and financial agent for the State of Rio Grande do Sul, in conformity with the state government's plans and programs.

NOTE 02 - PRESENTATION OF FINANCIAL STATEMENTS

(a) The interim financial statements have been prepared in accordance with accounting policies adopted in Brazil applicable to the financial institutions authorized to operate by the Central Bank of Brazil observing from the Brazilian corporation law, observing the standards and instructions of the National Monetary Council (CMN), the Central Bank of Brazil (BACEN) and the Brazilian Securities and Exchange Commission (CVM). The financial statements include accounting policies and estimates relating to the recognition of allowances and determination of the value of securities, derivatives financial instruments and deferred tax, actual results may differ from these estimates.

Banrisul's financial statements are being presented with the changes resulting from Central Bank Resolution No. 2/20. The main objective of these standards is to bring similarity with the guidelines for the presentation of financial statements in accordance with international accounting standards as defined by International Financial Reporting Standards - IFRS. The main implemented changes were: balance sheet accounts presented in order of liquidity and enforceability; balance sheet balances for the period presented in comparison with that of the end of the immediately previous fiscal year, with the other statements also compared with the same periods of the previous fiscal year for which they were presented; and the inclusion of the Statement of Comprehensive Income.

Management declares that the disclosures made in Banrisul's individual and consolidated financial statements show all relevant financial information used in its management and that the accounting standards have been applied consistently between periods.

(b) Banrisul's individual financial statements include Banrisul's Brazilian operations as well as the operations of its foreign branches (Miami and Grand Cayman). On June 9, 2021, the Board of Directors approved the voluntary closure of the activities of the Miami branch, having the works started on June 30, 2021. The sum of assets and liabilities, income and expenses reported by foreign branches, before eliminations, are summarized as follows:

Assets	09/30/2021	12/31/2020
Loans	**382,392**	**376,736**
Loans in Brazil	244,401	278,167
Other Lending activities	137,991	98,569
Other Assets	**321,106**	**305,705**
Property and Equipment	**12**	**28**
Total Assets	**703,510**	**682,469**

Liabilities and Equity	09/30/2021	12/31/2020
Deposits	**73,415**	**124,039**
Deposits in Brazil	30,026	79,040
Other Deposits	43,389	44,999
Other Obligations	**74**	**381**
Other Liabilities	**73,784**	**26,949**
Equity	**556,237**	**531,100**
Total Liabilities and Equity	**703,510**	**682,469**

Income Statement	01/01 to 09/30/2021	01/01 to 09/30/2020
Financial Intermediation Income	5,674	14,488
Financial Intermediation Expenses	(898)	(1,655)
Other Income (Expenses)	(4,428)	(4,160)
Net Income	**348**	**8,673**

The effects of foreign exchange variation on the operations of foreign branches are recognized in the Income Statement according to the nature of the corresponding assets and liabilities, and the exchange variation adjustments arising from the conversion process are recorded as a component of Equity, amounting to R$24,789 (09/30/2020 - R$162,460).

(c) The interim consolidated financial statements include the accounts of Banrisul, its foreign branches, subsidiaries and investment fund that Banrisul assumes or retains substantially all of the risks and benefits. In preparing the interim consolidated financial statements, the intercompany balances and the amounts of transactions between consolidated companies were eliminated. Non-controlling interests are measured initially at their proportionate share of the acquiree’s identifiable net assets at the date of acquisition. Changes in Banrisul’s interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

The following table shows subsidiaries and investment funds included in the interim consolidated financial statements:

		Ownership Interest	
	Activity	09/30/2021	12/31/2020
Banrisul Armazéns Gerais S.A.	Services	99.50%	99.50%
Banrisul S.A. Corretora de Valores Mobiliários e Câmbio	Broker	98.98%	98.98%
Banrisul S.A. Administradora de Consórcios	Consortia Management	99.68%	99.68%
Banrisul Cartões S.A.	Payment Options	99.78%	99.78%
Banrisul Seguridade Participações S.A. (1)	Insurance	100.00%	100.00%
Banrisul Giro Fundo de Investimento Renda Fixa Curto Prazo	Investment Funds	100.00%	100.00%

(1) Subsidiary Banrisul Seguridade Participações S.A fully controls Banrisul Corretora de Seguros S.A.

(d) Finance Leases are stated in the Balance Sheet at present value. Related income and expenses, which represent the financial result of these leases, are reported as income from Leases in the Income Statement.

(e) The financial statements prepared for the reported period were approved by the Board of Directors on November 05, 2021.

NOTE 03 - SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies used in preparing the consolidated financial statements are as follows:

(a) Income and Expenses

Income and expenses are recorded on an accrual basis.

(b) Cash and Cash Equivalents

Cash and cash equivalents comprise cash and readily convertible, highly liquid interbank investments, with original maturity not exceeding ninety days and that have an insignificant risk of change in their fair value.

(c) Interbank Investments

These comprise funds invested in the interbank market, stated at present value, calculated on “pro rata die” basis, based on the variation of both the agreed index and the interest rate.

(d) Securities

Pursuant to Circular No. 3068/01, issued by the Central Bank of Brazil, and supplementary regulations, securities are classified and measured in three specific categories, as follows:

- Trading Securities - these include securities acquired for purposes of being actively and frequently traded, measured at fair value, with related gains or losses recognized in the income statement.

- Available-for-Sale Securities - these include securities used as part of the strategy to manage risk of changes in interest rates and may be traded as a result of these changes, changes in payment conditions or other factors. These securities are adjusted to fair value less impairment losses, if applicable, and income earned is recorded in the income statement. Unrealized gains and losses from changes in fair value are recorded directly in shareholders’ equity, net of taxes, under “Other Comprehensive Results” until they are realized through sale.

When realized, the gains and losses are recognized in the income statement on the trading date, with a counter-entry to equity, net of taxes.

- Held-to-Maturity Securities - these are securities for which Management has the positive intent and financial capacity to hold to maturity. These securities are carried at amortized cost, less any impairment losses, plus income earned on a “pro rata” basis. Financial capacity is determined based on cash flow projections, disregarding the possibility of selling such securities.

(e) Derivative Financial Instruments

Derivative financial instruments are classified at the date of acquisition, in accordance with management’s intent to use them as protective (hedge) instruments or not, in accordance with BACEN Circular No. 3082/02.

Derivative financial instruments are recorded at market value, with gains and losses recognized directly in the income statement, provided they are not used for hedging, but acquired at the request of customers or on their own account.

The method for recognizing subsequent changes in the fair value of derivatives depends on whether the derivative is designated or not as a hedging instrument, as well as on the nature of the item being hedged.

The Bank uses hedge accounting and assigns the derivative contracts to hedge its subordinated debts (Note 17 and 18) and as a Fair Value hedge of recognized assets or liabilities or a firm commitment (market risk hedge).

Banrisul makes the documented designation, at the beginning of the operation, which describes the relationship between the objects and the hedge instruments, as well as the objectives of risk management and the strategy for carrying out the hedges. In this risk management, Banrisul periodically tests and documents the tests carried out to determine the level of effectiveness of hedge accounting operations in offsetting changes in the fair value of the protected items during the term of this protection.

Market Risk Hedge - derivative financial instruments intended to offset risks from exposure to changes in market value of hedged items are recorded in this category.

Banrisul included in this category the financial instruments derivative contracts used for hedging its US dollar denominated subordinate debt against foreign exchange variation, with a USD 523.185 million due on February 2, 2022, USD 300 million, due on January 28, 2031, with repurchase option in five years, according to conditions previously agreed in the Offering Memorandum of this issue, described in Notes 17 and 18.

The fair value variations of derivatives designated and qualified as market risk hedges are recorded in the income statement, together with any changes in fair value of the hedged asset or liability attributable to the hedged risk (Note 08). The gains or losses related to this operation are recognized in the income statement as “Income from Financial Intermediation”.

(f) Loans, Leases and Other Receivables with Lending Characteristics

All loans and leases are classified based on Management’s risk assessment, taking into account the economic scenario, past experience and specific risks related to transactions, debtors and guarantors, pursuant to National Monetary Council (CMN) Resolution No. 2682/99, which requires a periodic analysis of the portfolio and classification into nine risk levels, from AA to H. A summary of this classification is presented in Note 09.

Loans and leases are recorded at present value, calculated on a daily pro-rata basis, based on the agreed index and interest rate, and accrue interest through the 60^{th} day past due. Thereafter, interest income is recognized only when the payments are actually received.

The risk of renegotiated loans is classified in accordance with the criteria established by National Monetary Council (CMN) Resolution No. 2682/99, i.e., the rating assigned before the renegotiation is maintained. Renegotiated loans that had previously been written-off against the allowance for loan losses and controlled in memorandum accounts are rated level H. Any gains on renegotiation are recognized as income only when actually received (Note 09 (h)).

(g) Provisions for Expected Losses Associated with Credit Risk

Allowance for loan losses, lease receivables and losses on other receivables are obtained from internal risk models that classify operations according to the levels of ratings set forth by the Resolution No. 2682/99 of the National Monetary Council (CMN). Historically, allowances remain in levels deemed sufficient to cover probable losses.

The total amount related to the allowance for loan losses, allowance for doubtful lease receivables and losses on other receivables is stated in Note 09 (e).

(h) Other Assets

Comprises mainly: Assets Not in Use, relating to real estate held for sale, both our own real estate that is no longer in use and real estate received in lieu of payment, which are adjusted to fair value through recognition of a provision, according to current regulations; and Prepaid Expenses, corresponding to investments whose benefits will occur in future years.

(i) Investments and Goodwill

In the Parent Company, investments in subsidiaries and associates are accounted for by the equity method, based on their equity value. Goodwill corresponds to the excess amount paid on the acquisition of investments due to expected generation of future economic gains. Goodwill is tested annually for impairment.

(j) Property and Equipment

Property and equipment in use comprise mainly land and buildings. As set forth by CMN Resolution No. 4535/16, the property and equipment in use are stated at historical cost less depreciation, as are all other permanent assets. Historical cost includes expenses directly attributable to the acquisition or construction of assets.

Subsequent costs are included in the carrying amount of the asset or recognized as a separate asset, as appropriate, only when future economic benefits associated with the item are likely to flow and its cost can be reliably measured. All other repairs and maintenance are recognized in the income statement as operating expenses provided they do not effectively result in increase in lifespan, efficiency or productivity, when incurred.

Land is not depreciated. Depreciation of other assets is calculated using the linear method to reduce their costs to their residual values over the estimated useful life, as presented below:

Permanent Assets	Average Estimated Useful Life in Years
Property	60
Facilities	25
Equipment in Use	19
Other	7

The residual amounts and the lifespan of assets are reviewed and adjusted, if appropriate, at the end of each fiscal year. As required, useful life is reviewed once a year.

Assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the book value may not be recoverable. The book value of an asset is immediately reduced to its estimated recoverable value if it is greater than this recoverable value. The recoverable value is the higher amount between an asset's fair value less costs to sell and the value in use.

Gains and losses on disposals are determined by comparing the payments to be received with the book value and are recorded in Other Operating Income (Expenses), in the income statement.

(k) Intangible

Intangible corresponds to vested rights that have as object intangible assets intended for the maintenance of the company or to use for that purpose. CMN Resolution No. 4534/16 establishes that, from January 1, 2017, intangible assets are stated at their cost, and that assets with defined lifespan be amortized by the linear method throughout their lifespan.

This group is composed of payments made for banking service contracts (payroll services) and the acquisition of software, as follows:

Intangible	Average Estimated Useful Life in Years
Payroll Services	5 and 10
Software	7

Acquisition of Payroll Services

Public Sector - refers to agreements to obtain exclusive rights for the tendering of payroll services to the State of Rio Grande do Sul, to the Judiciary Branch of the State of Rio Grande do Sul, local town halls and other public agencies. Internal analysis and independent studies were conducted and no evidence of impairment related to these assets has been identified (Note 15).

Private Sector - refers to the five-year agreements signed with private entities, amortized throughout the contractual term. No impairment losses were identified on these assets.

Software

Software licenses are capitalized based on acquisition and readiness costs. These costs are amortized throughout the estimated lifespan of the software, of seven years.

The costs associated with maintaining software are recognized as expense, as incurred. Development costs that are directly attributable to the project and to the testing of identifiable and unique software products controlled by Banrisul are recognized as intangible assets.

Directly attributable costs, capitalized as part of the software, include the costs of employees responsible for software development and the apportionment of the applicable indirect costs. Costs also include financing costs incurred during the software development period.

Other costs with software development that do not meet these criteria are recognized as incurred. Software development costs previously recorded into expense accounts are not recorded as assets in subsequent periods.

Software development costs recognized as assets are amortized over their estimated lifespan.

The book value of an intangible asset is immediately written off to its estimated recoverable value if it is greater than that recoverable value, which is reviewed annually.

(l) Impairment of Assets

Banrisul annually reviews intangible assets for impairment losses. When identified, losses are recognized in the income statement of the period.

(m) Foreign Currency Conversion

Banrisul's financial statements are presented in Reais, the functional and reporting currency. The functional currency of the branches abroad was determined as per the National Monetary Council (CMN) Resolution No. 4524/16.

Banrisul has two branches overseas - Miami and Grand Cayman, whose financial statements are translated into USD. Their financial statements (none of which uses currency from hyperinflationary economies) are converted at the reporting date using current rates when their functional currency differs from the reporting currency, according to the following criteria:

• Assets and liabilities are converted using the exchange rate of the balance sheet date; and
• Income and expenses are converted using the monthly average exchange rate.

Foreign exchange variation adjustments arising from the conversion process are recorded as Other Comprehensive Income, a component Equity.

(n) Deposits, Repurchase Agreements, Funds from Acceptances and Issuance of Securities, Borrowings and Onlendings

These are stated at cost plus charges accrued through the reporting date, recognized on a "pro rata die" basis. The amounts and terms are shown in Notes 16 and 17.

(o) Provisions, contingent assets and liabilities and legal obligations

Provisions, contingent assets and liabilities, and legal obligations are recognized, measured and disclosed in accordance with the criteria set forth by Technical Pronouncement CPC 25, approved by the National Monetary Council (CMN) Resolution No. 3823/09.

- Contingent Assets - they are not recognized in the financial statements, except when there is evidence that realization thereof is virtually certain, and that no further appeal can be disputed.

- Provisions and Liabilities - a provision is recognized in the financial statements when, based on the opinion of management, the risk of losing a lawsuit or administrative claim is deemed probable, there will be a probable outflow of funds for the settlement of liabilities and the amounts involved can be reliably measured.

Contingent liabilities assessed as possible losses are not provided for; however, disclosure is made in the Notes to the financial statements. Contingent liabilities assessed as remote losses are neither accrued nor disclosed.

- Legal, Tax and Social Security Liabilities - legal obligations are recorded as liabilities, regardless of the evaluation of loss probability.

(p) Income tax and Social Contribution

Deferred tax assets or income tax and social contribution liabilities for were calculated based on the rates in effect on the date of the financial statements, and in the perspective of estimated realization for these credits in the period of validity of these rates on temporary differences, and recorded under “Deferred tax assets” against the income for the period. Should there be a change in tax legislation that changes criteria and rates to be adopted in future periods, the effects are recorded immediately based on the criteria and rates applicable to the period in which each portion of the assets will be realized or the liability settled. The realization of these Deferred tax assets will occur upon the realization of temporary differences and the respective recorded provisions.

Provision for income tax is recorded at the base rate of 15% of taxable income, plus an additional 10%. As per the Article 32 of Constitutional Amendment No. 103, released in November 2019, the social contribution rate calculated on the net profit of financial companies increased to 20% from 15%, effective as of March 2020. For all other companies, the social contribution is calculated considering the rate of 9%.

Law No. 14,183/21 was enacted, increasing the rate of Social Contribution on Profit (CSLL) of financial institutions. For banks, the rate rises from the current 20% to 25%, from July to December 31, 2021, and as of January 2022, it will return to 20%.

For Banrisul S/A Corretora de Valores e Cambio, the rate increased from 15% to 20%, from July to December 2021, and from January 2022 onwards, the rate will be 15% again.

The composition of the amounts of income tax and social contribution, the statement of their calculations, the origin and estimated realization of deferred tax assets, are presented in Notes 11 and 24.

(q) Post-Employment Long Term Benefit Obligations to Employees

- **Post-Employment Obligations** - Banrisul sponsors FBSS - Fundação Banrisul de Seguridade Social (Banrisul Social Security Foundation) and CABERGS - Caixa de Assistência dos Empregados do Banco do Estado do Rio Grande do Sul (Medical Assistance for Employees of Banco do Estado do Rio Grande do Sul) which, respectively, ensure the provision of retirement benefits and medical care to its employees.

- Retirement Plans - The Bank sponsors pension plans of the “defined benefit” and “variable contribution” types.

A defined benefit plan is different from a defined contribution plan. In general, defined benefit plans provide a value of pension benefit that the employee will receive upon retirement, usually depending on one or more factors such as age, length of service and salary.

The liability recognized in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets. Independent actuaries calculate the defined benefit obligation annually using the Projected Credit Unit Method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using rates consistent with market yields on high quality corporate bonds denominated in the currency in which the benefits will be paid and that have terms to maturity similar to those of the respective obligations of the pension plan.

The actuarial valuation is established based on assumptions and projections of interest rates, inflation, increases in benefits, life expectancy, the effect of any limitation upon the contribution of the employer in the cost of future benefits and contributions or third-party contributions that reduce the ultimate cost of those benefits to the Bank, among others. The actuarial valuation and its assumptions and projections are updated on an annual basis at the end of each year. Actuarial gains and losses resulting from adjustments based on experience and changes in actuarial assumptions are recognized directly in Equity, as Valuation Adjustments.

The cost of benefits under the defined benefit plans is determined separately for each plan. When they occur, costs of past services are immediately recognized in profit or loss as incurred.

The variable contribution plans are benefits with defined contribution characteristics, and cover expected retirement, early retirement and funeral assistance. In this case, Banrisul has no further payment obligations besides contributions already paid. The contributions are recognized as employee benefit expense when due. Contributions made in advance are recognized as an asset to the extent that cash refund or a reduction in future payments is available. In addition, there are further benefits with defined benefit characteristics, which are retirement for disability, proportionate benefit, sickness allowance, annual bonus, minimum benefit and retirement annuity with life insurance coverage.

- Health Plans - plans provided by Caixa de Assistência dos Empregados do Banco do Estado do Rio Grande do Sul (Cabergs, the Assistance Fund for the Employees of Banco do Estado do Rio Grande do Sul), which offer health care benefits in general and whose cost is established through an agreement of accession.

Banrisul also offers the benefit of post-retirement health care to its employees. The expected costs of these benefits are accrued over the period of employment using the same accounting methodology used for defined benefit pension plans. Actuarial gains and losses resulting from adjustments based on experience and changes in actuarial assumptions are charged or credited to equity, under Valuation Adjustments. Independent qualified actuaries measure these obligations annually.

Plan assets are not available to creditors of Banrisul and cannot be paid directly to the Bank. The fair value is based on information about market price and, in the case of traded assets, their market value. The value of any recognized defined benefit asset is limited to the sum of any previous service cost not yet recognized and to the present value of any economic benefit available as reductions in future employer contributions to the plan.

- Retirement Award - upon retirement, Banrisul gives its employees a premium for retirement that is proportional to their monthly salary, effective at the time of retirement.

Additionally, the results of the actuarial valuation can generate an asset to be recognized. The Institution records this asset only when:

- it controls a resource, which is the ability to use the surplus to generate future benefits;
- this control is the result of past events (contributions paid by the Bank and service provided by the employee); and
- future economic benefits to the Bank are available in the form of reductions in future contributions or of cash refund, either directly to the Bank, or indirectly to compensate for the deficit of another post-employment benefit plan (in compliance with law).

The commitments to these three types of post-employment benefits are annually assessed and reviewed by independent qualified actuaries.

(r) Earnings per Share

The institution calculates earnings per share by dividing the weighted average number of total common and preferred shares outstanding during the period by the net income for the period. Earnings per share is disclosed in accordance with CVM Rule No. 636/10.

NOTE 04 - CASH AND CASH EQUIVALENTS

	Parent Company		Consolidated	
	09/30/2021	12/31/2020	09/30/2021	12/31/2020
Cash	**1,669,781**	**1,263,595**	**1,669,927**	**1,263,648**
In Local Currency	1,123,832	811,354	1,123,978	811,407
In Foreign Currency	545,949	452,241	545,949	452,241
Interbank Investments[(1)]	**8,290,518**	**5,715,203**	**8,292,134**	**5,716,507**
Reverse Repurchase Agreements	8,199,992	5,704,808	8,201,608	5,706,112
Investments in Interbank Deposits	90,526	10,395	90,526	10,395
Total	**9,960,299**	**6,978,798**	**9,962,061**	**6,980,155**

(1) Comprised of the agreements described in note 05, with original maturity of 90 days or less and that present an insignificant risk of a change in their fair values.

NOTE 05 - INTERBANK INVESTMENTS

					Parent Company
	Up to 3 months	3 to 12 months	Over 1 Year	09/30/2021	12/31/2020
Reverse Purchase Agreements	**8,199,992**	**-**	**-**	**8,199,992**	**5,704,808**
Reverse Repurchase Agreements - Own Portfolio					
Financial Treasury Letter – LFT	4,499,991	-	-	4,499,991	4,404,770
National Treasury Letter – LTN	2,000,001	-	-	2,000,001	1,300,038
National Treasury Notes - NTN	1,700,000	-	-	1,700,000	-
Interbank Deposits	**90,526**	**365,444**	**143,166**	**599,136**	**335,460**
Interbank Deposits	90,526	365,444	143,166	599,136	335,460
Total as of 09/30/2021	**8,290,518**	**365,444**	**143,166**	**8,799,128**	
Total as of 12/31/2020	**5,715,203**	**325,065**	**-**		**6,040,268**

					Consolidated
	Up to 3 months	3 to 12 months	Over 1 Year	09/30/2021	12/31/2020
Reverse Purchase Agreements	**8,201,608**	**-**	**-**	**8,201,608**	**5,706,112**
Reverse Repurchase Agreements - Own Portfolio					
Financial Treasury Letter – LFT	4,499,991	-	-	4,499,991	4,404,770
National Treasury Letter – LTN	2,000,001	-	-	2,000,001	1,300,038
National Treasury Notes - NTN	1,700,000	-	-	1,700,000	-
Bank Deposit Certificates	1,616	-	-	1,616	1,304
Interbank Deposits	**90,526**	**365,444**	**143,166**	**599,136**	**335,460**
Interbank Deposits	90,526	365,444	143,166	599,136	335,460
Total as of 09/30/2021	**8,292,134**	**365,444**	**143,166**	**8,800,744**	
Total as of 12/31/2020	**5,716,507**	**325,065**	**-**		**6,041,572**

NOTE 06 - COMPULSORY DEPOSITS OF CENTRAL BANK OF BRAZIL

			Parent Company and Consolidated
Compulsory Deposits - BACEN	**Form of Remuneration**	**09/30/2021**	**12/31/2020**
Demand deposits and other resources	No Remuneration	659,038	743,129
Savings Deposits	Savings rate	2,016,264	1,912,085
Other Deposits	No Remuneration	58,966	55,135
Time Deposits	SELIC	5,249,353	5,040,260
Total		**7,983,621**	**7,750,609**

NOTE 07 - PORTFOLIO OF SECURITIES

Breakdown of the portfolio of securities:

	Parent Company		Consolidated	
	09/30/2021	12/31/2020	09/30/2021	12/31/2020
Trading Securities	8,136,631	6,572,528	8,347,627	6,655,299
Available-for-sale Securities	4,081	176	6,351	2,459
Held-to-Maturity Securities	27,780,876	24,977,451	27,791,153	24,987,444
Total	**35,921,588**	**31,550,155**	**36,145,131**	**31,645,202**

The fair values presented in the table below were determined as follows: actively traded Treasury Bills are determined based on prices published by the ANBIMA (Brazilian Association of Financial and Capital Markets); shares of publicly-held companies are based on the closing price of the last trading day prior to the reporting date; investment fund shares are updated daily with the respective share price informed by the fund administrator; and for securities where no prices are available Banrisul uses internal models for calculating the market value, using B3's (Brazil Stock Exchage) future curves.

(a) Trading Securities

Breakdown of Trading Securities by type and maturity, at fair value and amortized cost:

										Parent Company
	Fair Value						09/30/2021		12/31/2020	
	Without Maturity	Up to 3 months	3 to 12 months	1 to 3 years	3 to 5 years	Over 5 years	Fair Value	Amortized Cost	Fair Value	Amortized Cost
Financial Treasury Letter – LFT	-	-	2,971,941	1,918,322	3,227,564	-	8,117,827	8,145,987	6,562,124	6,594,036
Shares of Publicly-Held Companies	13,926	-	-	-	-	-	13,926	17	6,978	2,063
Investment Fund Shares	4,878	-	-	-	-	-	4,878	4,878	3,426	3,426
Total as of 09/30/2021	**18,804**	**-**	**2,971,941**	**1,918,322**	**3,227,564**	**-**	**8,136,631**	**8,150,882**		
Total as of 12/31/2020	**10,404**	**906,229**	**-**	**961,038**	**3,846,492**	**848,365**			**6,572,528**	**6,599,525**

										Consolidated
	Fair Value						09/30/2021		12/31/2020	
	Without Maturity	Up to 3 months	3 to 12 months	1 to 3 years	3 to 5 years	Over 5 years	Fair Value	Amortized Cost	Fair Value	Amortized Cost
Financial Treasury Letter – LFT	-	-	2,971,941	1,926,519	3,227,564	-	8,126,024	8,154,215	6,570,116	6,602,063
Shares of Publicly-Held Companies	13,926	-	-	-	-	-	13,926	17	6,978	2,063
Investment Fund Shares	207,677	-	-	-	-	-	207,677	207,513	78,205	78,205
Total as of 09/30/2021	**221,603**	**-**	**2,971,941**	**1,926,519**	**3,227,564**	**-**	**8,347,627**	**8,361,745**		
Total as of 12/31/2020	**85,183**	**906,229**	**-**	**961,038**	**3,854,484**	**848,365**			**6,655,299**	**6,682,331**

(b) Available-for-Sale Securities

Breakdown of Available-for-Sale Securities by type and maturity, at fair value and amortized cost:

	Parent Company					Consolidated				
	09/30/2021			12/31/2020		09/30/2021			12/31/2020	
	Without Maturity	Fair Value	Amortized Cost	Fair Value	Amortized Cost	Without Maturity	Fair Value	Amortized Cost	Fair Value	Amortized Cost
Investment Fund Shares	4,081	4,081	4,081	176	176	6,337	6,337	5,985	2,447	2,074
Privatization Certificates	-	-	-	-	-	14	14	14	12	12
Total as of 09/30/2021	**4,081**	**4,081**	**4,081**			**6,351**	**6,351**	**5,999**		
Total as of 12/31/2020	**176**			**176**	**176**	**2,459**			**2,459**	**2,086**

(c) Held-to-Maturity Securities

Breakdown of Held-to-Maturity Securities by type and maturity, at fair value and amortized cost:

									Parent Company
	Updated Amortized Cost					09/30/2021		12/31/2020	
	Up to 3 months	3 to 12 months	1 to 3 years	3 to 5 years	Over 5 years	Updated Amortized Cost	Fair Value	Updated Amortized Cost	Fair Value
Federal Government Securities									
Financial Treasury Letter – LFT	-	4,152,655	10,349,720	7,513,105	3,250,665	25,266,145	25,186,442	21,419,481	21,318,989
National Treasury Notes - NTN	-	-	-	-	-	-	-	471,927	471,922
National Treasury Letter – LTN	-	2,215,623	-	-	-	2,215,623	2,207,050	2,785,396	2,676,846
Federal Bonds - CVS	-	-	-	-	63,825	63,825	56,556	72,235	72,910
Time Deposits with Special Collaterals - DPGE	-	232,295	-	-	-	232,295	233,832	224,941	228,243
Certificate of Real Estate Receivables - CRI	-	-	-	-	2,988	2,988	2,917	3,471	3,492
Total as of 09/30/2021	**-**	**6,600,573**	**10,349,720**	**7,513,105**	**3,317,478**	**27,780,876**	**27,686,797**		
Total as of 12/31/2020	**2,049,316**	**2,785,396**	**5,449,214**	**10,748,908**	**3,944,617**			**24,977,451**	**24,772,402**

									Consolidated
	Updated Amortized Cost					09/30/2021		12/31/2020	
	Up to 3 months	3 to 12 months	1 to 3 years	3 to 5 years	Over 5 years	Updated Amortized Cost	Fair Value	Updated Amortized Cost	Fair Value
Federal Government Securities									
Financial Treasury Letter – LFT	-	4,152,655	10,349,720	7,517,867	3,256,180	25,276,422	25,196,635	21,429,474	21,328,981
National Treasury Notes - NTN	-	-	-	-	-	-	-	471,927	471,922
National Treasury Letter – LTN	-	2,215,623	-	-	-	2,215,623	2,207,050	2,785,396	2,676,846
Federal Bonds - CVS	-	-	-	-	63,825	63,825	56,556	72,235	72,910
Time Deposits with Special Collaterals - DPGE	-	232,295	-	-	-	232,295	233,832	224,941	228,243
Certificate of Real Estate Receivables - CRI	-	-	-	-	2,988	2,988	2,917	3,471	3,492
Total as of 09/30/2021	**-**	**6,600,573**	**10,349,720**	**7,517,867**	**3,322,993**	**27,791,153**	**27,696,990**		
Total as of 12/31/2020	**2,054,664**	**2,785,396**	**5,449,214**	**10,753,553**	**3,944,617**			**24,987,444**	**24,782,394**

Management declares that Banrisul has the financial capability and the intention to hold these securities to maturity.

NOTE 08 - DERIVATIVE FINANCIAL INSTRUMENTS

Banrisul conducts transactions involving derivatives in the form of swaps. These swaps are designed to meet Banrisul's needs and to manage its global exposure in foreign currency.

The use of derivatives is mainly to mitigate the risks from currency fluctuations arising from the international funding operation carried out by Banrisul, as mentioned in Note 17 and 18, in the form of a rate swap to CDI.

With this objective, swap transactions are short and long-term, aligned with the flow and maturity of the emissions (objects hedge) that they protect.

For this purpose, operations with derivative instruments in the swap modality are short and long term, following the flow and maturity of the issues (hedge objects) they protect.

The swaps are OTC contracts registered with B3 S. A. - Brasil, Bolsa, Balcão and have as counterparties top-tier financial institutions.

The table below demonstrates the effectiveness of the structure of hedge accounting developed by Banrisul, demonstrating the amortized cost value, fair value and fair value adjustments of objecct (subordinated debt) and the hedging instrument (swaps):

				Parent Company and Consolidated	
				09/30/2021	12/31/2020
Derivatives Used as Fair Value Hedge	**Notional Value**	**Amortized cost**	**Fair value adjustment**	**Fair Value**	**Fair Value**
Hedging Instrument					
Swaps	3,813,908	642,891	80,143	723,034	844,599
Foreign Currency (USD)	3,813,908	642,891	80,143	723,034	844,599
Hedged Item					
Subordinated Debt	2,546,665	4,507,622	81,020	4,588,642	2,968,537
Foreign Currency (USD)	2,546,665	4,507,622	81,020	4,588,642	2,968,537

The following table shows the breakdown of the derivatives (asset and liability legs) by notional value and fair value:

				Parent Company and Consolidated
Swaps	**Notional Value**	**Receivable (Payable) Amortized Cost (1)**	**Fair Value Adjustments to Results (1)**	**Fair Value (1)**
Assets				
Foreign Currency (USD) + Fixed Rate	3,813,908	694,253	80,484	774,737
Liabilities				
% of Interbank Deposit Rate (CDI)	(3,813,908)	(51,362)	(341)	(51,703)
Net Adjustment as of 09/30/2021		**642,891**	**80,143**	**723,034**
Net Adjustment as of 12/31/2020		**677,304**	**167,295**	**844,599**

(1) Values presented net of the notional value,

The table below shows the information of derivatives segregated by contractual cash flow:

						Parent Company and Consolidated
Swaps	**Notional Value**	**Fair Value (1)**	**Up to 3 months**	**3 to 12 months**	**1 to 3 years**	**3 to 5 years**
Assets						
Foreign Currency (USD) + Fixed Rate	3,813,908	774,737	-	839,585	(6,718)	(58,130)
Liabilities						
% of Interbank Deposit Rate (CDI)	(3,813,908)	(51,703)	-	(26,295)	(5,926)	(19,482)
Net Adjustment as of 09/30/2021		**723,034**	**-**	**813,290**	**(12,644)**	**(77,612)**
Net Adjustment as of 12/31/2020		**844,599**	**28,914**	**28,687**		**786,998**

(1) Values presented net of the notional value,

Banrisul and counterparties are mutually subject to providing a reciprocal basis if the derivatives exceed the fair value limits stipulated by contract.

The margin deposited by Banrisul as guarantee in operations involving derivatives consists of Interbank deposits in the amount of R$64,633 and the margin received consists of Interbank Deposits in the amount of R$232,599 and by National Treasury Notes series F, in the amount of R$480,489.

Banrisul uses hedge accounting practices established by the Central Bank of Brazil and the effectiveness expected from the designation of hedging instruments and in the course of the operation is in accordance with the provisions of the Central Bank of Brazil.

NOTE 09 - LOANS, LEASES AND OTHER CONTRACTS WITH LENDING CHARACTERISTICS

(a) Breakdown by Type and Risk Level

										Parent Company and Consolidated	
	AA	A	B	C	D	E	F	G	H	09/30/2021	12/31/2020
Loans and Discounted Receivables	657,033	14,995,527	7,117,240	759,833	545,982	212,984	162,166	369,747	1,694,149	26,514,661	26,427,501
Financing	127,206	397,664	207,467	113,071	19,725	6,350	7,099	7,897	13,897	900,376	814,254
Rural and Agro-Industrial Financing	408,422	3,144,989	423,822	306,438	37,031	16,238	20,419	9,359	45,287	4,412,005	3,392,123
Real Estate Loans	2,867,822	685,059	231,067	134,681	3,905	1,006	3,004	98,844	6,604	4,031,992	4,112,283
Loans Assigned with Recourse (1)	5,887	4,413	158	75	-	-	-	-	-	10,533	13,280
Infrastructure and Development Financing	2,430	41,888	54,948	664	-	-	-	-	-	99,930	101,500
Subtotal Loans	**4,068,800**	**19,269,540**	**8,034,702**	**1,314,762**	**606,643**	**236,578**	**192,688**	**485,847**	**1,759,937**	**35,969,497**	**34,860,941**
Lease Operations	425	3,117	1,744	1,365	701	508	52	6,725	208	14,845	19,605
Advances on Foreign Exchange Contracts (2)	20,102	207,610	150,640	75,201	44,089	11,973	5,268	86,198	24,772	625,853	503,739
Other Receivables (3)	66,333	1,375,787	443,794	86,665	26,339	5,344	2,098	1,478	23,106	2,030,944	2,083,453
Acquired Portfolio with Recourse (Note 10)	60,653	-	-	-	-	-	-	-	-	60,653	138,066
Total Credit Portfolio	**4,216,313**	**20,856,054**	**8,630,880**	**1,477,993**	**677,772**	**254,403**	**200,106**	**580,248**	**1,808,023**	**38,701,792**	**37,605,804**
Recourse and Guarantees Granted (4)	170,749	67,904	1,314	16,832	-	25,800	-	-	9,340	291,939	195,892
Total as of 09/30/2021	**4,387,062**	**20,923,958**	**8,632,194**	**1,494,825**	**677,772**	**280,203**	**200,106**	**580,248**	**1,817,363**	**38,993,731**	**37,801,696**
Total Credit Portfolio as of 12/31/2020	**5,141,278**	**18,948,465**	**7,903,932**	**1,795,573**	**870,913**	**334,987**	**237,528**	**480,090**	**1,893,038**		**37,605,804**

(1) Refers to assignment of receivables with recourse where Banrisul has assigned to Cibrasec mortgage loans operations.
(2) Composed of Advances on Foreign Exchange Contracts including accrued interest, presented net with related liabilities in Other Liabilities.
(3) Refers to debit and credit cards, securitization credit, credit for guarantees honored and receivable income on foreign exchange and receivables from export contracts.
(4) Recorded in off-balance sheet accounts, For sureties and guarantees, the provision was recorded as shown in Note 18.

(b) Customer Breakdown per Maturity and Risk Levels

										Parent Company and Consolidated	
	Credit Portfolio in Ordinary Course (1)										
	AA	A	B	C	D	E	F	G	H	09/30/2021	12/31/2020
Falling Due	**4,215,870**	**20,846,838**	**8,437,855**	**1,323,352**	**556,769**	**156,562**	**113,460**	**376,329**	**1,143,652**	**37,170,687**	**36,166,058**
01 to 30 days	80,891	1,239,673	521,413	126,277	58,612	14,422	8,044	8,476	30,110	2,087,918	2,306,022
31 to 60 days	75,534	930,708	368,160	110,860	31,194	11,289	5,502	30,823	17,749	1,581,819	1,772,031
61 to 90 days	51,621	834,947	304,097	87,019	25,661	12,054	3,948	10,259	33,164	1,362,770	1,291,451
91 to 180 days	176,629	1,794,460	680,636	156,803	66,874	14,551	32,516	68,948	39,088	3,030,505	3,473,013
181 to 360 days	379,024	3,849,283	1,158,320	291,439	60,205	21,997	19,548	90,750	161,820	6,032,386	4,984,440
Over 360 days	3,452,171	12,197,767	5,405,229	550,954	314,223	82,249	43,902	167,073	861,721	23,075,289	22,339,101
Past Due	**443**	**9,216**	**6,238**	**3,317**	**2,420**	**1,709**	**631**	**1,633**	**1,494**	**27,101**	**48,626**
Up to 14 days	443	9,216	6,238	3,317	2,420	1,709	631	1,633	1,494	27,101	48,626
Subtotal	**4,216,313**	**20,856,054**	**8,444,093**	**1,326,669**	**559,189**	**158,271**	**114,091**	**377,962**	**1,145,146**	**37,197,788**	**36,214,684**
	Non-Performing Contracts (1)										
Falling Due	-	-	**173,726**	**128,837**	**93,441**	**67,965**	**60,038**	**130,690**	**432,201**	**1,086,898**	**1,001,600**
01 to 30 days	-	-	3,994	4,080	3,830	2,725	1,730	5,037	12,185	33,581	34,402
31 to 60 days	-	-	3,239	3,100	2,695	2,019	1,585	4,903	11,253	28,794	31,978
61 to 90 days	-	-	3,140	2,959	2,578	1,846	1,524	4,719	26,347	43,113	29,380
91 to 180 days	-	-	8,334	8,101	7,047	4,838	4,302	13,868	31,090	77,580	83,461
181 to 360 days	-	-	14,391	14,276	12,390	8,889	7,805	25,949	58,596	142,296	156,210
Over 360 days	-	-	140,628	96,321	64,901	47,648	43,092	76,214	292,730	761,534	666,169
Past Due	-	-	**13,061**	**22,487**	**25,142**	**28,167**	**25,977**	**71,596**	**230,676**	**417,106**	**389,520**
01 to 14 days	-	-	569	384	299	360	301	970	2,507	5,390	5,685
15 to 30 days	-	-	11,108	6,245	4,902	3,069	2,072	7,661	13,276	48,333	50,011
31 to 60 days	-	-	1,384	14,692	5,916	5,196	3,550	14,738	37,847	83,323	46,296
61 to 90 days	-	-	-	625	13,212	4,906	5,988	6,928	18,634	50,293	41,812
91 to 180 days	-	-	-	541	813	14,168	12,808	38,276	67,682	134,288	145,887
181 to 360 days	-	-	-	-	-	468	1,258	3,023	76,941	81,690	87,230
Over 360 days	-	-	-	-	-	-	-	-	13,789	13,789	12,599
Subtotal	-	-	**186,787**	**151,324**	**118,583**	**96,132**	**86,015**	**202,286**	**662,877**	**1,504,004**	**1,391,120**
Total as of 09/30/2021	**4,216,313**	**20,856,054**	**8,630,880**	**1,477,993**	**677,772**	**254,403**	**200,106**	**580,248**	**1,808,023**	**38,701,792**	
Total as of 12/31/2020	**5,141,278**	**18,948,465**	**7,903,932**	**1,795,573**	**870,913**	**334,987**	**237,528**	**480,090**	**1,893,038**		**37,605,804**

(1) Nonperforming Contracts consists of loans with overdue installments of more than 14 days, All other contracts are considered Ordinary Course,.

(c) Credit Portfolio Breakdown by Business Sector

	Parent Company and Consolidated	
	09/30/2021	12/31/2020
Public Sector	**102,241**	**103,555**
Government - Direct and Indirect Administration	102,241	103,555
Private Sector	**38,599,551**	**37,502,249**
Companies	9,243,129	8,952,228
Rural	162,283	272,623
Food, Beverages and Tobacco	1,387,894	1,146,432
Automotive	379,181	383,325
Cellulose, Wood and Furniture	187,879	184,977
Food Wholesale Trade	739,420	535,013
Wholesale Trade (except food)	626,628	559,942
Retail Trade - Other	915,783	784,292
Construction and Real Estate	736,053	837,525
Education, Health and other Social Services	989,587	1,233,619
Electrical and Electronics	321,085	313,780
Financial and Insurance	371,025	338,687
Machines and equipment	269,563	239,159
Metallurgy	250,076	230,281
Infrastructure Works	42,094	31,411
Oil and Natural Gas	348,508	355,341
Chemical and Petrochemical	458,140	434,053
Private Services	250,406	219,573
Textile, Clothing and Leather	231,179	234,007
Transportation	290,253	314,693
Others	286,092	303,495
Individuals	29,356,422	28,550,021
Total Loans	**38,701,792**	**37,605,804**

(d) Loan Concentration

	Parent Company and Consolidated			
	09/30/2021		12/31/2020	
	Value	% of Portfolio	Value	% of Portfolio
Largest Debtor	149,528	0.39	163,451	0.43
Next 10 Largest Debtors	922,179	2.38	995,815	2.65
Next 20 Largest Debtors	1,279,119	3.31	1,185,353	3.15
Next 50 Largest Debtors	1,594,173	4.12	1,472,171	3.91
Next 100 Largest Debtors	1,267,354	3.27	1,304,015	3.47

(e) Changes in Allowances

The Allowance for Expected Losses in the amount of R$2,741,889 (Consolidated R$2,747,212) is shown below:

i) Allowance for Loan Losses, Doubtful Lease Receivables and Other Receivables with Lending Characteristics:

	Parent Company and Consolidated	
	01/01 to 09/30/2021	01/01 to 09/30/2020
Opening Balance	**2,763,101**	**2,764,335**
Allowance Recorded in the Period	628,619	1,099,007
Write-Offs	(698,444)	(1,050,044)
Ending Balance	**2,693,276**	**2,813,298**
Allowance for Loan Losses	2,544,148	2,605,365
Allowance for Doubtful Lease Receivables	5,238	7,223
Allowance for Losses on Other Receivables with Lending Characteristics (1)	143,890	200,710

(1) Refers to the constitution of a provision for operations involving Credits for Honored Sureties and Guarantees, Debit and Credit Cards, Foreign Exchange Portfolio and Credits Linked to Operations Acquired in Assignment.

ii) Allowance for Other Contracts with Credit Risk:

	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
Opening Balance	**48,791**	**47,719**	**50,037**	**50,515**
Allowance/(Reversal) Recorded in the Period	(98)	(105)	3,985	1,228
Write-Offs	(80)	-	(86)	(2,549)
Final Balance	**48,613**	**47,614**	**53,936**	**49,194**

(f) Breakdown of Allowances for Loan Losses, Doubtful Lease Receivables and Other Receivables with Lending Characteristics per Risk Level

			Parent Company and Consolidated
Risk Level	Credit Portfolio	Minimum Allowance Required by CMN Resolution No. 2682/99	Recorded Allowance
AA	4,216,313	0.00%	-
A	20,856,054	0.50%	104,279
B	8,630,880	1.00%	86,309
C	1,477,993	3.00%	44,340
D	677,772	10,00%	67,777
E	254,403	30.00%	76,321
F	200,106	50.00%	100,053
G	580,248	70.00%	406,174
H	1,808,023	100.00%	1,808,023
Total as of 09/30/2021	**38,701,792**		**2,693,276**
Total as of 12/31/2020	**37,605,804**		**2,763,101**

(g) Emergency Employment Support Program (Pese)

The operations related to the Emergency Employment Support Program (Pese), classified by risk level and accompanied by the amount of the provision made for each risk level, are shown below, as determined by CMN Resolution No. 4,846/20.

				Parent Company and Consolidated
		09/30/2021		12/31/2020
Rating	Asset	Provision	Asset	Provision
AA	482	-	59	-
A	42.429	32	61.544	46
B	609	1	52	-
C	645	3	6	-
D	167	2	-	-
E	303	14	-	-
F	799	60	43	3
G	83	9	-	-
H	941	141	-	-
Total	**46.458**	**262**	**61.704**	**49**

For ratings B and C, the provisioning for 12/31/2020 was R$77.80 and R$26.40 BRL, respectively.

(h) Recovery and Renegotiation of Credits

Recoveries of loans previously written off as losses were recognized as income from lending operations and amounted to R$313,180 (09/30/2020- R$172,196), net of losses generated in these recoveries.

The balance of renegotiated loans during the period amounted to R$590,739 (09/30/2020 - R$397,194). Pursuant to CMN Resolution No. 2682/99, these transactions remain classified in the same rating they were before the renegotiation; written off credit operations are classified in risk level H following renegotiation.

NOTE 10 - OTHER FINANCIAL INSTRUMENTS

						Parent Company
	Up to 12 Months	Over 12 Months	Total as of 09/30/2021	Up to 12 Months	Over 12 Months	Total as of 12/31/2020
Interbank Accounts	169,367	1,180,506	1,349,873	10,881	1,134,635	1,145,516
Credits with the National Housing System [1]	-	1,180,506	1,180,506	-	1,134,635	1,134,635
Outstanding Payments and Receipts	161,583	-	161,583	2,594	-	2,594
Others	7,784	-	7,784	8,287	-	8,287
Interbranch Accounts	11,712	-	11,712	73,101	-	73,101
Foreign Exchange Portfolio	717,564	823	718,387	551,923	20,680	572,603
Income Receivable	77,773	-	77,773	99,839	-	99,839
Guarantee Deposit	-	669,624	669,624	-	629,179	629,179
Payments to Reimburse	76,074	-	76,074	61,667	-	61,667
Securities and Receivables [2]	2,073,004	241,936	2,314,940	2,117,962	235,155	2,353,117
Credits Linked to Acquired Operations with Recorurse (Note 09 (a))	46,081	14,572	60,653	85,424	52,642	138,066

Others	17,903	-	17,903	24,630	-	24,630
Total	**3,189,478**	**2,107,461**	**5,296,939**	**3,025,427**	**2,072,291**	**5,097,718**

						Consolidated
	Up to 12 Months	**Over 12 Months**	**Total on 09/30/2021**	**Up to 12 Months**	**Over 12 Months**	**Total on 12/31/2020**
Interbank Accounts	2,045,721	1,180,506	3,226,227	1,672,441	1,134,635	2,807,076
Credits with the National Housing System [(1)]	-	1,180,506	1,180,506	-	1,134,635	1,134,635
Outstanding Payments and Receipts	2,037,937	-	2,037,937	1,664,154	-	1,664,154
Others	7,784	-	7,784	8,287	-	8,287
Interbranch Accounts	11,712	-	11,712	73,101	-	73,101
Foreign Exchange Portfolio	717,564	823	718,387	551,923	20,680	572,603
Income Receivable	108,665	-	108,665	108,086	-	108,086
Trading and Intermediation of Values	2,231	-	2,231	3,693	-	3,693
Guarantee Deposit	-	676,817	676,817	-	639,497	639,497
Reimbursable Payments	76,441	-	76,441	62,542	-	62,542
Securities and Receivables [(2)]	2,118,557	241,936	2,360,493	2,182,660	236,081	2,418,741
Credits Linked to Acquired Operations with Recourse (Note 09 (a))	46,082	14,571	60,653	85,424	52,642	138,066
Others	18,790	-	18,790	25,499	-	25,499
Total	**5,145,763**	**2,114,653**	**7,260,416**	**4,765,369**	**2,083,535**	**6,848,904**

(1) Credits with the National Housing System are composed of:

(a) R$149,726 (12/31/2020 - R$166,982), refers to future flows including interest accrued at the discount pre-fixed rate of 14.07% p.a. used when purchasing FCVS credits from the Government of the State of Rio Grande do Sul.

(b) R$1,027,940 (12/31/2020 - R$964,884), refers to principal and interest installments over acquired credit portfolios to which Banrisul will be entitled to at the time of novation and that are indexed according to the original contracts, i.e., TR + 6.17% p.a. for loans using own funding and TR + 3.12% p.a. for loans with FGTS funding.

(c) R$2,840 (12/31/2020 - R$2,769), refers to the balance of own portfolio contracts using resources from the FGTS, with FCVS coverage, approved and ready for novation, indexed to TR + 3.12% p.a.

National Housing System (SFH) - Acquired Portfolio - From October 2002 to March 2005, Banrisul acquired from the State Government of Rio Grande do Sul receivables related to the Salary Variation Compensation Fund (FCVS), The acquisition terms include a clause guaranteeing financial settlement by the State Government of non-performing contracts, if any. As of September 30, 2021, the receivables were stated at the acquisition cost including interest accrued at the rate used to determine the purchase price, amounting to R$1,177,666 (12/31/2020 - R$1,131,866). The face value is R$1,208,505 (12/31/2020 - R$1,170,841). These receivables will be converted into CVS securities pursuant to the ratification and novation processes, and the amounts due to Banrisul at the time of novation are presented and indexed by reference to TR (Referential Rate) variation plus interest. While no maturity date has been set for these receivables, the market values of the securities, upon their issuance, could significantly differ from the carrying amounts.

National Housing System (SFH) - Own Portfolio - Refers to FCVS credits arising from Banrisul's own mortgage loans portfolio that have already been approved by the FCVS' regulatory body.

(2) Securities and Recivables mainly comprise:

(a) Securities issued to cover court-ordered debts ("precatórios") involving the National Treasury, In the first quarter of 2005, as part of its receivables recovery policy, Banrisul received as payment in kind securities issued by the Federal Government to pay court-ordered debts from companies that belonged to the same Economic Group. The final transference of such securities depends on the outcome of a lawsuit between the Economic Group and the Federal Government and the release of escrow deposits that have been made by the Federal Government according to settle the original flow of the "precatórios" rescission. Management understands that there is no need to set up a provision. As of September 30, 2021, these judicial deposits, referring to court orders assigned to Banrisul, whose release depends on the final decision of the rescission lawsuit, amount to R$187,634 (12/31/2020 - R$179,456) and are indexed to TR and interest.

(b) Non-credit-like receivables, acquired by the Bank from the State Government of Rio Grande do Sul, in the amount of R$56,672 (12/31/2020 - R$58,140) related to receivables arising from transactions of the State Government of Rio Grande do Sul or its controlled entities, with the municipality of cities in the State of Rio Grande do Sul. These receivables have yields from 0.50% to 12.01% p.a., plus TR or IGP-M variation with maturity through 2029. For these credits, there is a provision constituted in the amount of R$46,134;

(c) Debit and Credit Cards: receivables from cardholders when using Banricompras and cards from Visa and MasterCard issued by Banrisul. As of September 30, 2021, totaled R$2,017,075 (12/31/20120 - R$2,065,609) in the Parent Company and in the Consolidated; and

(d) Credits Receivable related to BanriCard business and benefit agreements and the acquiring network Vero in the amount of R$42,175 (12/31/2020 - R$39,223) in the Consolidated.

NOTE 11 – DEFERRED TAXES

Banrisul has deferred tax assets and deferred income tax and social contribution tax liabilities on temporary differences, for the period shown below:

(a) Deferred Tax Assets - the balances of deferred tax assets, segregated according to their origins and disbursements, are represented by:

				Parent Company
	Balance as of 12/31/2020	**Constitution**	**Realization**	**Balance as of 09/30/2021**
Allowance for Loan Losses	1,521,577	313,572	(317,731)	1,517,418
Provision for Labor Risks	466,933	148,579	(54,183)	561,329
Provision for Tax Risks	157,658	40,723	(4,742)	193,639
Provision for Civil Risks	107,055	38,419	(22,878)	122,596
Fair Value Adjustments	87,286	61,919	(103,893)	45,312
Other Temporary Provisions	725,445	50,065	(38,343)	737,167

Total Deferred Tax Assets on Temporary Differences	**3,065,954**	**653,277**	**(541,770)**	**3,177,461**
Unregistered Credits	(26)	-	-	(26)
Total Deferred Tax Assets Recorded	**3,065,928**	**653,277**	**(541,770)**	**3,177,435**
Deferred Tax Liabilities	(406,662)	(82,388)	73,751	(415,299)
Deferred Tax Assets Net of Deferred Tax Liabilities	**2,659,266**	**570,889**	**(468,019)**	**2,762,136**

				Consolidated
	Balance as of 12/31/2020	**Constitution**	**Realization**	**Balance as of 09/30/2021**
Allowance for Loan Losses	1,522,072	315,291	(317,730)	1,519,633
Provision for Labor Risks	468,651	148,869	(55,167)	562,353
Provision for Tax Risks	157,857	40,734	(4,897)	193,694
Provision for Civil Risks	107,720	38,650	(22,824)	123,546
Fair Value Adjustments	87,286	61,919	(103,893)	45,312
Other Temporary Provisions	727,011	50,221	(38,485)	738,747
Total Deferred Tax Assets on Temporary Differences	**3,070,597**	**655,684**	**(542,996)**	**3,183,285**
Unregistered Credits	(26)	-	-	(26)
Total Deferred Tax Assets Recorded	**3,070,571**	**655,684**	**(542,996)**	**3,183,259**
Deferred Tax Liabilities	(407,430)	(82,716)	73,757	(416,389)
Deferred Tax Assets Net of Deferred Tax Liabilities	**2,663,141**	**572,968**	**(469,239)**	**2,766,870**

The expectation of realizing these assets is as follows:

				Parent Company	**Consolidated**
		Temporary Differences			
Year	**Income tax**	**Social contribution**	**Total**	**Registered Totals**	**Registered Totals**
2021	65,971	65,970	131,941	131,941	132,073
2022	259,131	207,304	466,435	466,435	467,268
2023	278,395	222,716	501,111	501,111	501,639
2024	312,254	249,803	562,057	562,057	562,585
2025	277,175	221,740	498,915	498,915	499,685
2026 to 2028	458,152	366,522	824,674	824,674	826,256
2029 to 2031	106,834	85,468	192,302	192,302	193,753
As of 2031	14	12	26	-	-
Total as of 09/30/2021	**1,757,926**	**1,419,535**	**3,177,461**	**3,177,435**	**3,183,259**
Total as of 12/31/2020	**1,703,307**	**1,362,647**	**3,065,954**	**3,065,928**	**3,070,571**

The total present value of deferred tax assets is R$2,372,863 and in Consolidated R$2,376,850 calculated according to the expected realization of temporary differences at the average funding rate, projected for the corresponding periods.

(b) Deferred Tax Liabilities - the balances of the provision for deferred income tax and social contributions are represented by:

	Parent Company		**Consolidated**	
	09/30/2021	**12/31/2020**	**09/30/2021**	**12/31/2020**
Excess Depreciation	7,923	8,661	7,923	8,661
Own Securities available for sale	4	-	4	-
Adjustment of MTM Subordinated Debt – Hedge Accouting	38,794	75,283	39,702	75,869
Renegotiated Operations Law No, 12,715/12	263,196	217,334	263,196	217,334
Actuarial Surplus	105,382	105,384	105,564	105,566
Total	**415,299**	**406,662**	**416,389**	**407,430**

NOTE 12 - OTHER ASSETS

	Parent Company		**Consolidated**	
	Total as of 09/30/2021	**Total as of 12/31/2020**	**Total as of 09/30/2021**	**Total as of 12/31/2020**
Advances to Employees	39,490	10,823	39,831	11,146
Post-employment Benefit (Note 27)	228,387	228,387	228,917	228,917
Other Receivables - Domestic	134,498	166,848	132,150	166,473
Assets for Sale	154,197	228,712	154,304	230,131
Prepaid Expenses	216,006	178,983	217,362	179,897
Other	13,174	74,392	6,075	1,430
Total	**785,752**	**888,145**	**778,639**	**817,994**

NOTE 13 - INVESTMENTS IN ASSOCIATES AND SUBSIDIARIES AND GOODWILL

	Parent Company		Consolidated	
	09/30/2021	12/31/2020	09/30/2021	12/31/2020
Investments in Domestic Subsidiaries and associates	**2,226,965**	**1,907,935**	**155,461**	**166,240**
ıvestments in Subsidiaries	2,071,504	1,744,734	-	-
ıvestments in Associates	155,461	163,201	155,461	166,240
Goodwill from Investment Acquisitions (1)	**1,560**	**4,367**	**1,560**	**4,367**
Total	**2,228,525**	**1,912,302**	**157,021**	**170,607**

(1) Goodwill represents the future economic benefit arising from the acquisition of Bem Promotora de Vendas e Serviços S.A., whose value is being amortized over 10 years.

					Parent Company
	Equity 09/30/2021	Participation in Capital (%) 09/30/2021	Investment Value 09/30/2021	Net Income 09/30/2021	Equity Results 09/30/2021
Subsidiaries	**2,077,050**		**2,071,504**	**328,779**	**328,764**
Banrisul Armazéns Gerais S.A.	64,036	99.50	63,714	4,937	5,530
Banrisul S.A. Corretora de Valores Mobiliários e Câmbio	94,272	98.98	93,314	6,372	6,302
Banrisul S.A. Administradora de Consórcios	333,848	99.68	332,790	38,070	37,949
Banrisul Cartões S.A.	1,489,330	99.78	1,486,122	193,836	193,419
Banrisul Seguridade Participações S.A.	95,564	100.00	95,564	85,564	85,564
Associates	**311,073**		**155,461**	**69,445**	**34,571**
Bem Promotora de Vendas e Serviços S.A.	49,210	49.90	24,556	23,023	11,488
Banrisul Icatu Participações S.A.	261,863	49.99	130,905	46,422	23,206
VG8JV Tecnologia S.A. (1)	-	-	-	-	(123)

					Consolidated
	Equity 09/30/2021	Participation in Capital (%) 09/30/2021	Investment 09/30/2021	Net Income 09/30/2021	Equity Results 09/30/2021
Associates	**311,073**		**155,461**	**69,445**	**33,669**
Bem Promotora de Vendas e Serviços S.A.	49,210	49.90	24,556	23,023	11,488
Banrisul Icatu Participações S.A.	261,863	49.99	130,905	46,422	23,206
VG8JV Tecnologia S.A.(1)	-	-	-	-	(1,025)

(1) The Company ended its activities on April 22, 2021.

					Parent Company
	Equity 12/31/2020	Participation in Capital (%) 12/31/2020	Investment Value 12/31/2020	Net Income 09/30/2020	Equity Results 09/30/2020
Subsidiaries	**1,749,677**		**1,744,734**	**208,550**	**208,046**
Banrisul Armazéns Gerais S.A.	58,626	99.50	58,332	2,632	2,619
Banrisul S.A. Corretora de Valores Mobiliários e Câmbio	88,850	98.98	87,948	2,005	1,984
Banrisul S.A. Administradora de Consórcios	301,708	99.68	300,751	31,287	31,188
Banrisul Cartões S.A.	1,295,493	99.78	1,292,703	172,626	172,255
Banrisul Seguridade Participações S.A.	5,000	100.00	5,000	-	-
Associates	**332,829**		**163,201**	**76,404**	**41,435**
Bem Promotora de Vendas e Serviços S.A.	54,526	49.90	27,209	24,459	12,205
Banrisul Icatu Participações S.A.	271,211	49.99	135,578	59,299	29,643
VG8JV Tecnologia S.A. (1)	7,092	5.84	414	(7,354)	(413)

(1) The Company ended its activities on April 22, 2021.

					Consolidated
	Equity 12/31/2020	Participation in Capital (%) 12/31/2020	Investment Value 12/31/2020	Net Income 09/30/2020	Equity Results 09/30/2020
Associates	**332,829**		**166,240**	**76,404**	**38,410**
Bem Promotora de Vendas e Serviços S.A.	54,526	49.90	27,209	24,459	12,205
Banrisul Icatu Participações S.A.	271,211	49.99	135,578	59,299	29,643
VG8JV Tecnologia S.A.(1)	7,092	48.69	3,453	(7,354)	(3,438)

(1) The Company ended its activities on April 22, 2021.

NOTE 14 - PROPERTY AND EQUIPMENT

	Parent Company						
	Property in Use	Equipment in Inventory	Facilities	Equipment in Use	Data Processing System	Others	Total
As of December 31, 2020							
Original Cost	174,990	1,307	239,251	142,149	342,542	23,791	924,030
Accumulated Depreciation	(96,562)	-	(133,591)	(84,452)	(257,883)	(18,527)	(591,015)
Net Balance as of December 31, 2020	**78,428**	**1,307**	**105,660**	**57,697**	**84,659**	**5,264**	**333,015**
Acquisitions	6,141	2,610	4,172	7,800	33,555	142	54,420
Disposals - Cost	(1,533)	-	(428)	(3,568)	(1,333)	(25)	(6,887)
Disposals - Accumulated Depreciation	1,434	-	310	3,238	1,332	21	6,335
Depreciation	(926)	-	(4,122)	(4,341)	(12,069)	(457)	(21,915)
Net Transfers - Cost	-	(599)	-	1,858	(642)	(339)	278
Net Transfers - Accumulated Depreciation	-	-	-	(1,130)	886	184	(60)
Net Change	**5,116**	**2,011**	**(68)**	**3,857**	**21,729**	**(474)**	**32,171**
As of September 30, 2021							
Original Cost	179,598	3,318	242,995	148,239	374,122	23,569	971,841
Accumulated Depreciation	(96,054)	-	(137,403)	(86,685)	(267,734)	(18,779)	(606,655)
Net Balance as of September 30, 2021	**83,544**	**3,318**	**105,592**	**61,554**	**106,388**	**4,790**	**365,186**

	Consolidated						
	Property in Use	Equipment in Inventory	Facilities	Equipment in Use	Data Processing System	Others	Total
As of December 31, 2020							
Original Cost	191,733	38,746	248,843	148,636	413,761	26,421	1,068,140
Accumulated Depreciation	(101,653)	-	(139,134)	(88,991)	(278,006)	(20,663)	(628,447)
Net Balance as of December 31, 2020	**90,080**	**38,746**	**109,709**	**59,645**	**135,755**	**5,758**	**439,693**
Acquisitions	6,236	16,437	4,341	7,888	33,587	145	68,634
Disposals - Cost	(1,533)	(1,820)	(428)	(3,572)	(1,430)	(25)	(8,808)
Disposals - Accumulated Depreciation	1,434	-	310	3,236	1,386	24	6,390
Depreciation	(1,065)	-	(4,523)	(4,641)	(23,472)	(587)	(34,288)
Net Transfers - Cost	3	(18,449)	(965)	1,999	17,201	(421)	(632)
Net Transfers - Accumulated Depreciation	409	-	965	(1,692)	888	280	850
Net Change	**5,484**	**(3,832)**	**(300)**	**3,218**	**28,160**	**(584)**	**32,146**
As of September 30, 2021							
Original Cost	196,439	34,914	251,791	154,951	463,119	26,120	1,127,334
Accumulated Depreciation	(100,875)	-	(142,382)	(92,088)	(299,204)	(20,946)	(655,495)
Net Balance as of September 30, 2021	**95,564**	**34,914**	**109,409**	**62,863**	**163,915**	**5,174**	**471,839**

NOTE 15 - INTANGIBLE ASSETS

	Parent Company			
	Software Use Rights	Right from Acquisition of Payroll operations (1)	Others	Total
As of December 31, 2020				
Original Cost	158,523	1,479,077	1,718	1,639,318
Accumulated Depreciation	(99,104)	(733,940)	(668)	(833,712)
Net Balance as of December 31, 2020	**59,419**	**745,137**	**1,050**	**805,606**
Acquisitions	45,291	62,475	-	107,766
Amortization	(15,679)	(131,129)	-	(146,808)
Cost Net Transfers	(278)	-	-	(278)
Amortization Net Transfers	60	-	-	60
Net Change	**29,394**	**(68,654)**	**-**	**(39,260)**
As of September 30, 2021				
Original Cost	203,536	1,541,552	1,718	1,746,806
Accumulated Depreciation	(114,723)	(865,069)	(668)	(980,460)
Net Balance as of September 30, 2021	**88,813**	**676,483**	**1,050**	**766,346**

	Consolidated			
	Software Use Rights	Right from Acquisition of Payroll operations (1)	Others	Total
As of December 31, 2020				
Original Cost	160,725	1,479,077	1,954	1,641,756
Accumulated Depreciation	(101,202)	(733,940)	(885)	(836,027)
Net Balance as of December 31, 2020	**59,523**	**745,137**	**1,069**	**805,729**
Acquisitions	45,291	62,475	-	107,766
Amortization	(15,706)	(131,129)	-	(146,835)
Cost Net Transfers	(278)	-	-	(278)
Amortization Net Transfers	60	-	-	60

Net Change	**29,367**	**(68,654)**	**-**	**(39,287)**
As of September 30, 2021				
Original Cost	205,738	1,541,552	1,954	1,749,244
Accumulated Depreciation	(116,848)	(865,069)	(885)	(982,802)
Net Balance as of September 30, 2021	**88,890**	**676,483**	**1,069**	**766,442**

(1) The net balance of R$676,483 (12/31/2020 - R$745,137) is comprised of:

a) R$629,160 (12/31/2020- R$677,429) refers to the agreement signed with the State of Rio Grande do Sul granting Banrisul the exclusive right of servicing the payroll of state civil servants for the next ten years. In the second half of the year, as defined in the contract, there was a price adjustment in the amount of R$48,781 which makes up the total balance that will be deferred for the remainder of the contract term. No indications that these assets are impaired were identified;

b) The agreement signed with the Judiciary Power of the State of Rio Grande do Sul to provide payroll services to the Court of Justice's servants for a period of 5 years ended in the third quarter of 2021. (12/31/2020 – R$9,600). No evidence of impairment related to this asset was identified;

c) R$33,683 (12/31/2020 - R$52,547) refers to contracts signed with town halls and other public sector bureaus, for the provision of banking services related to the payroll of their civil servants, and

d) R$13,640 (12/31/2020 - R$5,561) refers to agreements entered into with private sector, are effective for five years and are amortized over the agreement period, No indications that these assets are impaired were identified.

NOTE 16 - DEPOSITS, SECURITIES SOLD UNDER REPURCHASE AGREEMENTS AND FUNDS FROM ACCEPTANCE AND ISSUANCE OF SECURITIES

						Parent Company
	Without Maturity	**Up to 3 Months**	**3 to 12 Months**	**Over 12 Months**	**09/30/2021**	**12/31/2020**
Deposits						
Demand Deposits [(1)]	4,020,142	-	-	-	4,020,142	4,300,573
Savings Deposits [(1)]	11,526,976	-	-	-	11,526,976	11,065,557
Interbank Deposits	-	389,430	968,124	-	1,357,554	1,478,828
Time Deposits [(2)]	-	4,177,193	6,663,453	36,407,710	47,248,356	45,957,109
Other Deposits	13,144	-	-	-	13,144	18,388
Total	**15,560,262**	**4,566,623**	**7,631,577**	**36,407,710**	**64,166,172**	**62,820,455**
Repurchase Agreements (Repos)						
Own Portfolio [(3)]	-	9,041,102	-	-	9,041,102	4,573,384
Total	**-**	**9,041,102**	**-**	**-**	**9,041,102**	**4,573,384**
Funds from Acceptance and Issuance of Securities						
Funds from Real Estate, Mortgage, Credit and Similar Bonds	-	200,709	686,920	1,013,152	1,900,781	2,727,755
Total	**-**	**200,709**	**686,920**	**1,013,152**	**1,900,781**	**2,727,755**

						Consolidated
	Without Maturity	**Up to 3 Months**	**3 to 12 Months**	**Over 12 Months**	**09/30/2021**	**12/31/2020**
Deposits						
Demand Deposits [(1)]	4,014,014	-	-	-	4,014,014	4,289,107
Savings Deposits [(1)]	11,526,976	-	-	-	11,526,976	11,065,557
Interbank Deposits	-	389,430	968,124	-	1,357,554	1,478,828
Time Deposits [(2)]	-	4,177,193	5,910,227	36,407,710	46,495,130	45,599,623
Other Deposits	15,328	-	-	-	15,328	13,388
Total	**15,556,318**	**4,566,623**	**6,878,351**	**36,407,710**	**63,409,002**	**62,446,503**
Repurchase Agreements (Repos)						
Own Portfolio [(3)]	-	8,948,284	-	-	8,948,284	4,362,437
Total	**-**	**8,948,284**	**-**	**-**	**8,948,284**	**4,362,437**
Funds from Acceptance and Issuance of Securities						
Funds from Real Estate, Mortgage, Credit and Similar Bonds	-	200,709	393,056	1,013,152	1,606,917	2,440,535
Total	**-**	**200,709**	**393,056**	**1,013,152**	**1,606,917**	**2,440,535**

(1) Classified as without maturity since there is no contractual maturity date.

(2) Consider the contractual maturities of each contract.

Time deposits are made up of individuals and companies, with floating or fixed rates equivalent to 98.87% and 1.13% of the total portfolio, respectively. The average funding rate for floating-rate deposits corresponds to 81.58% (12/31/2020 – 80.29%) of CDI, and for fixed-rate deposits, to 2.22% (12/31/2020 – 1.96%) p.a. Of total time deposits, 63.16% (12/31/2020 – 64.16%) have some kind of early redemption option, although expense recognition continues to be based on the contractual rate due through maturity, excluding discounts or reductions applicable in the case of early redemption. The maturity dates presented above do not consider the possibility of early redemption.

(3) Funding through securities sold under repurchase agreements - own portfolio is conducted with financial institutions and has an average funding rate of 100% of CDI.

NOTE 17 – BORROWINGS AND ONLENDINGS

					Banrisul e Banrisul Consolidado
	Up to 3 Months	**3 to 12 Months**	**1 to 5 years**	**09/30/2021**	**12/31/2020**
Borrowings[(1)]					
Foreign Borrowings	82,407	726,800	1,550,709	2,359,916	425,868
Total	**82,407**	**726,800**	**1,550,709**	**2,359,916**	**425,868**
Onlendings[(2)]					
Domestic Onlendings – Official Institutions	525,939	191,587	647,819	1,365,345	1,473,113

Total	**525,939**	**191,587**	**647,819**	**1,365,345**	**1,473,113**

(1) Represented by funds obtained from foreign banks to be used in foreign exchange transactions subject to the variation of the corresponding currencies plus annual interest at rates ranging from 1.10% and 2.63% (12/31/2020 – 0.95% and 4.87%) p.a. Of the total of R$2,359,916, R$1,639,413 refers to the issue of subordinated debt.

Subordinated Debt Issuance - On January 28, 2021, Banrisul made a new issue of subordinated debt (Tier II) in the amount of US$ 300 million (three hundred million dollars) with annual interest of 5.375%, for a period of 10 years, with a 5-year repurchase option, according to conditions previously agreed by the Offering Memorandum of this issue. Debt has been authorized for Tier III Capital Subordination by the Central Bank of Brazil on October 25, 2021.

(2) Domestic onlendings represent, basically, funds from Official Institutions (BNDES - National Bank for Economic and Social Development, FINAME - National Equipment Financing Authority, Caixa Econômica Federal - Federal Savings and Loan Bank and FINEP - Funding Authority for Studies and Projects). These onlendings mature on a monthly basis through May 2030, and are subject to from interest from 0.90% to 8.00% (12/31/2020 – 0.90% to 8,00%) p.a., plus variation of the indexes (TJLP - "Long-term interest rate", URTJ-01, US Dollar, currency basket, UPRD, TLP and SELIC) for floating-rate liabilities and up to 14.87% (12/31/2020 – 18.92%) p.a., for fixed-rate liabilities. Funds are transferred to customers on the same terms and with the same funding rates, plus commission for financial intermediation. These funds are collateralized by the same guarantees received for the related loans.

NOTE 18 - OTHER FINANCIAL LIABILITIES

						Parent Company
	Up 12 Months	Over 12 Months	Total 09/30/2021	Up 12 Months	Over 12 Months	Total 12/31/2020
Interfinancial Relations	347,469	-	347,469	63,073	-	63,073
Interdependence Relations	528,156	-	528,156	339,731	-	339,731
Foreign Exchange Portfolio	80,706	-	80,706	50,786	-	50,786
Financial and Development Funds	2,388,891	-	2,388,891	1,174,014	-	1,174,014
Subordinated Debts (1)	2,951,678	-	2,951,678	211,437	2,768,194	2,979,631
Creditors for Resources to be Released	100,790	-	100,790	108,257	-	108,257
Payable Card Transactions	1,250,594	-	1,250,594	1,237,745	-	1,237,745
Acquisition Payable Obligations	652,846	-	652,846	719,438	-	719,438
Provision for guarantees provided and Guarantees (Note 26 (b))	18,662	-	18,662	19,832	-	19,832
Others	35,314	7,254	42,568	33,694	9,269	42,963
Total	**8,355,106**	**7,254**	**8,362,360**	**3,958,007**	**2,777,463**	**6,735,470**

						Consolidated
	Up 12 Months	Over 12 Months	Total 09/30/2021	Up 12 Months	Over 12 Months	Total 12/31/2020
Interfinancial Relations	347,469	-	347,469	63,073	-	63,073
Interdependence Relations	527,876	-	527,876	338,919	-	338,919
Foreign Exchange Portfolio	80,706	-	80,706	50,786	-	50,786
Trading and Intermediation of Values	2,482	-	2,482	7,246	-	7,246
Financial and Development Funds	2,388,891	-	2,388,891	1,174,014	-	1,174,014
Subordinated Debts (1)	2,951,678	-	2,951,678	211,437	2,768,194	2,979,631
Creditors for Resources to be Released	101,186	-	101,186	108,615	-	108,615
Payable Card Transactions	1,138,570	-	1,138,570	1,118,976	-	1,118,976
Acquisition Payable Obligations	1,923,633	-	1,923,633	1,654,911	-	1,654,911
Provision for guarantees provided and Guarantees (Note 26 (b))	18,662	-	18,662	19,832	-	19,832
Others	57,054	7,254	64,308	56,647	9,269	65,916
Total	**9,538,207**	**7,254**	**9,545,461**	**4,804,456**	**2,777,463**	**7,581,919**

(1) In 2012 Banrisul concluded the issuance of subordinated bonds abroad in two tranches, at the total amounts of USD500 million (500 million U.S. Dollars), and USD275 million (275 million U.S. Dollars), for a 10-year term, on February 02, 2022. In 2015, Banrisul partially repurchased its subordinated debt for USD251.81 million (251.81 million U.S. Dollars). After the repurchase, the notional USD denominated balance remains at 523.185 million.

NOTE 19 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

(a) Contingent Assets

No contingent assets were recorded and there are no ongoing lawsuits with probable gains.

(b) Contingent Reserves and Liabilities

In the normal course of their activities, Banrisul and its subsidiaries are parties to tax, labor and civil lawsuits at the judicial and administrative levels.

The provisions were calculated taking into account the opinion of Banrisul's legal counselors, using measurement models and benchmarks available, despite the inherent uncertainty as to the period and outcome of the lawsuits. Banrisul records a provision in the amounts involved in lawsuits that have been assessed as probable losses.

Management believes that the provisions are sufficient to cover probable losses arising from lawsuits.

The changes in reserves are as follows:

					Parent Company
	Tax	Labor	Civil	Other	Total
Opening Balance at 12/31/2020	**575,226**	**1,037,629**	**237,899**	**156,562**	**2,007,316**
Recognition and Inflation Adjustment	86,985	330,175	85,376	1,035	503,571
Provision Reversal	(419)	-	-	-	(419)
Payment	(10,120)	(123,073)	(52,006)	-	(185,199)
Ending Balance at 09/30/2021	**651,672**	**1,244,731**	**271,269**	**157,597**	**2,325,269**
Guaranteed Deposits at 09/30/2021	88,961	516,289	64,374	-	669,624

					Parent Company
	Tax	Labor	Civil	Other	Total
Opening Balance at 12/31/2019	**565,406**	**1,038,834**	**169,843**	**155,196**	**1,929,279**
Recognition and Inflation Adjustment	18,257	275,191	72,766	1,147	367,361
Provision Reversal	(6,932)	-	-	-	(6,932)
Payment	(2,166)	(286,009)	(23,891)	-	(312,066)
Ending Balance at 09/30/2020	**574,565**	**1,028,016**	**218,718**	**156,343**	**1,977,642**
Guaranteed Deposits at 09/30/2020	66,266	412,788	113,443	-	592,497

					Consolidated
	Tax	Labor	Civil	Other	Total
Opening Balance at 12/31/2020	**575,355**	**1,040,779**	**240,258**	**156,562**	**2,012,954**
Recognition and Inflation Adjustment	87,018	331,029	85,920	1,035	505,002
Provision Reversal	(419)	(274)	(57)	-	(750)
Payment	(10,119)	(123,792)	(52,058)	-	(185,969)
Ending Balance at 09/30/2021	**651,835**	**1,247,742**	**274,063**	**157,597**	**2,331,237**
Guaranteed Deposits at 09/30/2021	89,100	522,133	65,584	-	676,817

					Consolidated
	Tax	Labor	Civil	Other	Total
Opening Balance at 12/31/2019	**565,500**	**1,043,608**	**171,736**	**155,196**	**1,936,040**
Recognition and Inflation Adjustment	18,280	275,254	73,140	1,147	367,821
Provision Reversal	(6,932)	(1,226)	(52)	-	(8,210)
Payment	(2,165)	(286,105)	(23,941)	-	(312,211)
Ending Balance at 09/30/2020	**574,683**	**1,031,531**	**220,883**	**156,343**	**1,983,440**
Guaranteed Deposits at 09/30/2020	68,591	419,341	114,698	-	602,630

Tax Contingencies

Provisions for tax contingencies relate primarily to liabilities related to taxes whose legality or constitutionality is being challenged at the administrative or judicial levels and the likelihood of loss is considered probable, being recognized at the full amount under dispute. For lawsuits collateralized by escrow deposits, the provisioned amounts and respective escrow deposits are not adjusted for inflation. When legal permits are issued as the result of a favorable outcome, the provisioned amounts and respective escrow deposits are adjusted for inflation and withdrawn.

The main tax contingencies refers to: **(i)** income tax and social contribution on the deduction of expenses arising from the settlement of the actuarial deficit of Fundação Banrisul de Seguridade Social (Banrisul Social Security Foundation), challenged by the Brazilian Internal Revenue Service for the years 1998 to 2005 in the amount of R$635,919 (12/31/2020 - R$553,979), in which Banrisul, through its legal counsel, has been discussing the matter in court and recorded a provision for contingencies in the amount of the estimated loss and respective loss of suit registered in this period in the amount of R$77,906; and **(ii)** other contingencies related to federal and municipal taxes classified by our legal counsel as probable loss in the amount of R$6,527 (12/31/2020 - R$12,114).

There are also some tax contingencies whose likelihood of loss, based on their nature, is considered as possible, in the amount of R$44,198 (12/31/2020 - R$ 41,051), and in the Consolidated - R$45,344 (12/31/2020 - R$53,325). These contingencies are mostly related to litigations of municipal and federal taxes and a provision for contingencies was not recognized, in accordance with applicable accounting practices. In addition to these, there is a tax assessment notice in the scope of the Federal Revenue upon the employer's contribution to the

Social Security system as well as to contributions to various funds and entities, requiring the payment of the amount of R$204,278 (12/31/2020 - R$203,230), mainly related to the benefits of the Worker's Food Program - PAT and Profit Sharing - PLR, which was classified by our advisors as a possible loss, in the amount of R$196,081 (12/31/2020 - R$ 194,097), and as of probable loss, the amount of R$9,226 (12/31/2020 - R$9,133), which is duly provisioned.

Labor Contingencies

Refer to lawsuits filed mainly by active employees, former employees, employees of contractors, Associations, Unions and Prosecutors Office, relating to alleged violation of labor rights.

From January to September of 2021, a provision of R$191,087 was made for collective labor lawsuits, covering lawsuits pending final assessment in settlement processes and lawsuits with unfavorable decisions being judged by the Supreme Labor Court, whose risk classification has been changed due to changes in the jurisprudential scenario. Management considers the set up provision to be sufficient and will continue to monitor the evolution of judicial decisions, evaluating their classification and quantification whenever necessary.

Besides the contingencies above, this account records provision for labor claims filed against Banrisul, in accordance with the Provisioning Policy for Individual Labor Claims implemented during the second half of 2020, in which, upon assessment of lawsuits, the provisioning for claims whose likelihood of loss is considered probable. Of the aforementioned provision, R$417,062 (12/31/2020 - R$365,978) - consolidated R$420,716 (12/31/2020 - R$372,537) - have been deposited in an escrow account. Additionally, R$99,227 (12/31/2020 - R$91,664) - consolidated R$101,417 (12/31/2020 - R$91,808) - were required for appeals.

There are also some labor contingencies whose likelihood of loss, based on their nature, is considered as possible, in the amount of R$999,604 (12/31/2020 - R$1,148,575) - consolidated R$1,002,081 (12/31/2020- R$1,159,172) -, relating principally to overtime, reintegration to active positions and wage parity. A provision for contingencies was not recognized for the amounts of possible loss on labor claims, in accordance with applicable accounting practices.

Civil Contingencies

Lawsuits for damages refer to compensation for property damage and/or pain and suffering, referring to consumer relations, in particular, matters relating to credit cards, consumer credit, checking accounts, savings accounts, banking collection and loans,

To the civil lawsuits classified as probable loss being defined by the average historic cost of the court decisions and the respective legal costs. The Management will continue to monitor the evolution of judicial decisions over time.

From the previously mentioned allowance, the amount of R$64,374 (12/31/2020 - R$113,967) - consolidated R$65,584 (12/31/2020 - R$115,256) - has been deposited in court.

There is also the amount of R$1,111,504 (12/31/2020 - R$920,594) - consolidated R$1,113,154 (12/31/2020 - R$923,427) - related to lawsuits filed by third parties against Banrisul, mainly related to insurances, real estate loans and checking accounts, which are classified as possible loss by our legal counsel and, therefore, no provisions were recorded.

Other Contingencies

On September 29, 2000, Banrisul received an assessment notice from the Central Bank of Brazil in connection with administrative proceedings filed by that authority related to supposed irregularities in foreign exchange transactions between 1987 and 1989. In an appeal decision at the administrative level, Banrisul was required to pay a fine equivalent to 100% of the amount of the supposedly irregular transactions. This decision is being challenged in court by Management, which, and in compliance with the Central Bank of Brazil requirements, recorded a provision in the amount of R$157,597 (12/31/2020 - R$156,562) for this contingency.

NOTE 20 - OTHER LIABILITIES

	Parent Company		Consolidated	
	09/30/2021	12/31/2020	09/30/2021	12/31/2020
Collection of taxes and mandatory contributions	200,485	20,775	200,485	20,775
Social and Statutory	26,658	112,607	26,845	112,791
Provision of Personnel	276,237	179,799	258,241	167,136
Obligations for Official Covenants and Payment Services	147,383	121,326	147,556	121,672
Various Creditors in the Country	124,337	103,930	191,411	181,779
Actuarial Liabilities - Post-Employment Benefit (1)	1,144,946	1,134,026	1,150,363	1,139,443
Provisions for Outgoing Payments	244,342	232,101	270,866	258,986
Anticipated Income	155,673	165,056	155,673	165,056
Others	3,942	3,415	4,709	4,154
Total	**2,324,003**	**2,073,035**	**2,406,149**	**2,171,792**

1) Refers mostly to the sponsor's obligations regarding deficits found in defined benefit plans offered to employees and former employees of Banrisul and group companies (Note 27).

NOTE 21 - EQUITY

(a) Capital

Fully subscribed paid-up capital as of September 30, 2021 is R$5,200,000, represented by 408,974,777 shares with no par value as follows:

	Ordinary Shares		Class A Preferred Shares		Class B Preferred Shares		Total	
	Quantity	%	Quantity	%	Quantity	%	Quantity	%
Rio Grande do Sul State								
Shareholding as of 12/31/2020	201,225,359	98.13	751,479	54.73	-	-	201,976,838	49.39
Shares Conversion and Transfers	-		-		-		-	
Shareholding as of 09/30/2021	201,225,359	98.13	751,479	54.73	-	-	201,976,838	49.39
Executive Officers, Board of Directors and Committee Members								
Shareholding as of 12/31/2020	56	-	26	-	5,705	-	5,787	-
Shares Conversion and Transfers	-		-		(5,000)		(5,000)	
Shareholding as of 09/30/2021	56	-	26	-	705	-	787	-
Free Float								
Shareholding as of 12/31/2020	3,839,426	1.87	621,586	45.27	202,530,840	100.00	206,991,852	50.61
Shares Conversion and Transfers	-		-		5,000		5,000	
Shareholding as of 09/30/2021	3,839,426	1.87	621,586	45.27	202,535,840	100.00	206,996,852	50.61
Outstanding Shares as of 12/31/2020	**205,064,841**	**100.00**	**1,373,091**	**100.00**	**202,536,545**	**100.00**	**408,974,477**	**100.00**
Shares Conversion and Transfers	-		-		-		-	
Outstanding Shares as of 09/30/2021	**205,064,841**	**100.00**	**1,373,091**	**100.00**	**202,536,545**	**100.00**	**408,974,477**	**100.00**

Preferred shares do not carry voting rights and are entitled to the following payments:

Class A Preferred Shares:

(i) Priority to receive fixed non-cumulative dividends of six percent (6%) p.a., on the figure resulting from the division of capital by the related number of shares comprising it;

(ii) Right to take part, after Common and Class B Preferred Shares have been paid dividends equal to that paid to those shares, in the distribution of any other cash dividends or bonuses paid out by Banrisul, under the same conditions as Common and Class B Preferred Shares, plus an additional ten percent (10%) over the amount paid to those shares;

(iii) Participates in capital increases deriving from the capitalization of reserves, under the same conditions as Common and Class B Preferred Shares; and

(iv) Priority in capital reimbursement, without a premium.

Class B Preferred Shares:

(i) Participates in capital increases deriving from the capitalization of reserves, under the same conditions as Common and Class A Preferred Shares; and
(ii) Priority in capital reimbursement, without a premium.

(b) Reserve

The Capital Reserve refers to the amounts received by the Company that did not pass through the result, as it is not linked to the delivery of goods or services provided.

The Legal Reserve aims to increasing the Company's capital or absorbing losses, but it cannot be distributed in the form of dividends.

The Statutory Reserve has the purpose of guaranteeing resources for general and IT investments, and is limited to 70% of the paid-in capital.

The Expansion Reserve has the purpose of retaining profits to finance investment opex and capex projects, according to Capital budget proposed by the Management and approved at the Shareholders Meeting.

(c) Allocation of Income

Net income for the year, adjusted in accordance with Law No, 6404/76, is allocated as follows: **(i)** 5% to the Legal Reserve, not exceeding 20% of total Capital; **(ii)** mandatory minimum dividends limited to 25% of adjusted net income; and **(iii)** up to 25% of the net income to the Statutory Reserve, limited to 70% of paid-up capital, and is intended to ensure funds for investments in information technology.

The payout policy adopted by Banrisul aims to pay interest on equity up to the maximum tax-deductible amount calculated in accordance with prevailing legislation, which can be based, on retained earnings or profit reserves, Interest on equity paid can be considered, net of withholding tax, in the calculation of mandatory dividends for the fiscal year, as stated in the Bank's articles of incorporation.

As permitted by Law No. 9249/95 and CVM Rule No. 207/96 and Policy of Quarterly payment of interest on equity, Banrisul paid the amount of R$297,244 relating to interest on equity in the first nine months of 2021 (9M2020 - R$100,967), to be considered as dividends, net of withholding tax. The payment of such interest on equity resulted in a tax benefit for Banrisul in the amount of R$139,015 (9M2020 - R$42,083).

Banrisul has maintained, since the beginning of 2008, a policy of quarterly payment of interest on equity and, historically, has paid its shareholders with payment of interest on equity and dividends higher than the minimum legally required. However, in compliance with CMN Resolution No. 4820/20, on June 4, 2020, a Material Fact was published informing the temporary suspension of quarterly payments of interest on equity. Additionally, the remuneration on equity for 2020 was limited to the amount equivalent to the minimum mandatory dividend provided for in the Bylaws (25% in the case of Banrisul). On December 23, CMN published Resolution No. 4885/20, amending Resolution No. 4820/20, prohibiting remunerating equity, including in the form of prepayment, above the higher of the following values: (i) the amount equivalent to 30 % of adjusted net income; (ii) the amount equivalent to the minimum profit distribution established in the Bylaws. In the period from January to December 2020 the amount of R$207,331 were paid and/or provisioned in interest on equity and dividends, net of income tax.

On April 27, 2021, at the Annual Shareholders' Meeting, the proposal for the distribution of additional dividends for fiscal year 2021 in the percentage equivalent to 15% of the Net Income deducted from the Legal Reserve was approved, totaling 40%.

NOTE 22 - OTHER OPERATING INCOME

(a) Income from Services Rendered and Bank Fees

	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
Funds Administration	33,959	48,054	52,813	53,350
Income from Collection and Custody Services	47,132	45,790	47,122	45,772
Income from Guarantees Provided	706	1,912	706	1,912
Income from Consortium Administration Fees	-	-	82,662	69,534
Income from Operations Brokerage	-	-	7,007	8,890
Banrisul Cards Service Revenues	-	-	441,928	419,716
Check Returns	8,042	10,853	8,042	10,853
Account Debits	43,238	56,431	43,238	56,431
Collection Services	35,485	40,327	35,485	40,327
Security Commissions	48,079	177,267	198,207	177,267
Check Transactions	8,226	8,447	8,226	8,447
Bank Fees for Current Accounts	434,451	445,045	434,451	445,045
Credit Card	47,923	52,873	47,923	52,873
Withdrawal Fees	3,749	4,140	3,749	4,140
Bank Guarantee Rates	2,042	2,124	2,042	2,124
Other Income	25,304	22,382	42,968	37,447
Total	**738,336**	**915,645**	**1,456,569**	**1,434,128**

(b) Other Income

	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
Recovery of Charges and Expenses	109,304	118,682	22,132	40,163
Reversal of Operating Provisions for:				
Labor	-	-	274	1,226
Civil	-	-	57	52
Tax	419	6,932	419	6,932
Other	25,553	398	25,553	398
Interbank Rates	19,906	20,943	19,906	20,943
Credit Receivables Securities	9,358	8,697	9,358	8,697
Miscellaneous Card Recipes	89,262	80,381	89,262	80,381
Reversal of Provisions for Outgoing Payments	15,627	7,182	16,532	9,229
Receivables Advance Acquisition Revenue	-	-	15,275	14,230
Portability Income from Credit Operations	44,510	47,535	44,510	47,535
Acquiring Equipment Lease Fees	-	-	41,029	17,213
Collateral Deposit Updates	11,919	31,698	12,006	31,698
Other	15,233	16,031	35,729	31,071
Total	**341,091**	**338,479**	**332,042**	**309,768**

NOTE 23 - OTHER OPERATING EXPENSES

(a) Personnel expenses

	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
Salary	804,260	852,244	815,504	862,007
Benefits	243,751	254,373	245,325	255,774
Social charges	333,906	364,670	336,563	367,025
Trainings	2,676	4,044	2,681	4,055
Total	**1,384,593**	**1,475,331**	**1,400,073**	**1,488,861**

(b) Other Administrative Expenses

	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
Communications	40,895	48,764	41,658	49,280
Data processing	87,840	82,322	105,042	96,118
Surveillance, Security and Transportation of Values	91,725	100,515	91,725	100,515
Amortization and Depreciation	171,530	158,119	183,930	165,626
Rentals and Condominiums	101,722	95,931	102,030	95,181
Materials	8,384	9,920	12,274	14,300
Third Party Services (1)	396,158	372,658	412,950	400,953
Specialized Technical Services	96,526	58,791	98,522	61,016
Promotions and Advertising (2)	65,587	67,005	80,857	78,752
Maintenance and Conservation	52,921	45,614	53,393	46,060
Water, Energy and Gas	25,650	24,248	26,203	24,770
Financial System Services	23,123	25,488	25,463	27,297
Others	53,549	44,088	55,048	45,178
Total	**1,215,610**	**1,133,463**	**1,289,095**	**1,205,046**

(1) Of the amount of R$396,158 (09/30/2020 - R$372,658), R$178,672 (9M2020 – RS174,931) come from expenses with services originating from payroll deductible loans through the Bem Promotora de Vendas e Serviços S.A.

(2) Consists mainly of R$26,186 (9M2020 - R$31,160), and in the Consolidated R$32,258 (9M2020 - R$35,167), of institutional advertising expenses, and of R$37,369 (9M2020 - R$33,434) and in the Consolidated R$37,916 (9M2020 - R$33,448) as sponsorship of sport events and teams.

(c) Other Expenses

	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
Discounts Granted on Renegotiations	34,839	23,272	34,839	23,272
Expenses with Labor Provisions (Note 19)	330,175	275,191	331,029	275,254
Expenses with Provisions for Civil Actions (Note 19)	85,376	72,766	85,920	73,140
Federal Tax Collection Expenses	1,934	2,163	1,934	2,163
Expenses with Provisions for Tax Risks (CS / IR) (Note 19)	86,985	18,257	87,018	18,280
Monetary Update Fines Exchange Rates - BACEN (Note 19)	1,035	1,147	1,035	1,147
Card Expenses	6,750	11,783	6,750	11,783
Expenses with Provisions for Guarantees Provided by Banrisul	704	11,831	704	11,831
Credit Operations Portability Expenses	59,818	81,019	59,818	81,019
Costs with Payroll Loan Agreements	4,382	4,203	4,382	4,203
INSS Agreement Rates	103,380	67,237	103,380	67,237
Banrisul Advantage Membership Program Bonus	7,759	19,951	7,759	19,951
Expenses with Banrisul Branded Cards	-	-	26,669	22,081
Monetary Correction on Funding Release	2,563	2,274	2,563	2,274
Others	64,804	37,684	84,022	47,342
Total	**790,504**	**628,778**	**837,822**	**660,977**

NOTE 24 - INCOME TAX AND SOCIAL CONTRIBUTION

Reconciliation of Income Tax and Social Contribution Expenses/Revenue

	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
Income for the Period before Taxes and Profit Sharing	**818.547**	**670.418**	**989.576**	**780.683**
Income Tax (IRPJ) - Rate 25%	(204.637)	(167.605)	(247.394)	(195.171)
Social Contribution Tax (CSLL) - Rate of 9%	-	-	(40.000)	(28.358)
Social Contribution Tax (CSLL) - Rate of 15%	-	-	(1.884)	(522)
Social Contribution Tax (CSLL) – Rate of 20%	(171.352)	(122.827)	(104.178)	(95.693)
Total Income and Social Contribution Taxes calculated at Current Rate	**(375.989)**	**(290.432)**	**(393.456)**	**(319.744)**
Net Effect of the rate differential, in deferred CSLL	(478)	15.065	(478)	15.065
Profit Sharing	44.345	36.238	44.345	36.238
Interest on Equity	139.015	42.083	139.015	42.083
Equity Result	169.329	99.359	16.277	18.646
Other Exclusions, Net of Additions	1.388	5.472	1.094	5.358
Total Income and Social Contribution Taxes	**(22.390)**	**(92.215)**	**(193.203)**	**(202.354)**
Current	(128.691)	(303.970)	(300.357)	(414.489)
Deferred	106.301	211.755	107.154	212.135

NOTE 25 – EARNINGS PER SHARING

The following table presents the earnings per share using the weighted average number of outstanding common and preferred shares, timely adjusted to the period of the present financial statements,

	01/01 to 09/30/2021	01/01 to 09/30/2020
Net Income Attributable to Controlling Shareholders – R$ Thousand	**700,763**	495,127
Common Shares	351,306	248,232
Preferred A Shares	2,483	1,725
Preferred B Shares	346,974	245,170
Weighted Average of Outstanding Shares	**408,974,477**	**408,974,477**
Weighted Average Number of Outstanding Common Shares	205,064,841	205,064,841
Weighted Average Number of Outstanding Preferred A Shares	1,373,091	1,373,855
Weighted Average Number of Outstanding Preferred B Shares	202,536,545	202,535,781
Basic and Diluted earnings per Share – R$		
Commom Shares	1.71	1.21
Preferred A Shares	1.80	1.26
Preferred B Shares	1.71	1.21

NOTE 26 – COMMITMENTS, GUARANTEES AND OTHER

(a) State Law No. 12069, enacted on April 22, 2004, as amended by Law No. 14738/15, instructs that Banrisul must transfer to Rio Grande do Sul State up to 95% (ninety five percent) of the escrow deposits made to the Reserve Fund for the Return of Legal Deposit Guarantee, in which the disputing parties are neither the State nor municipalities. The remaining amount of collected escrow deposits not transferred will constitute the Reserve Fund to ensure the refund of said deposits. As of September 30, 2021, the balance of said collected resources, indexed by the same rules as savings accounts, according to Law No 12,703/12 and article 12 of Law No 8177/91 as of the reporting date totaled R$11,850,027 (12/31/2020 - R$10,890,862), of which R$10,112,837 (12/31/2020 - R$10, 112,837) was transferred to the State upon its request. The remaining balance, which makes up the aforementioned fund, is recorded in Other Liabilities - Financial and Development Fund.

(b) Sureties and guarantees granted to customers amount to R$191,510 (12/31/2020 - R$142,580), generate fee income and have recourse to the beneficiaries in case they have to be honored, Provisions for possible losses amounting to R$18,662 (12/31/2020 - R$19,832) have been made.

(c) Banrisul has confirmed import and export credits for R$94,706 (12/31/2020 - R$46,839) and recourse exposure from credit assignments for R$5,723 (12/31/2020 - R$6,473).

(d) Banrisul manages various funds and portfolios, which have the following net assets:

	Parent Company and Consolidated	
	09/30/2021	12/31/2020
Investment Funds [(1)]	12,312,534	11,703,808
Investment Funds in Investment Fund Shares	71,537	47,983
Equity Funds	370,532	383,665
Individual Retirement Programmed Funds	10,646	11,860
Fund to Guarantee the Liquidity of Rio Grande do Sul State Debt Securities	4,110,047	721,288
Managed Portfolios	455,250	443,727
Total	**17,330,546**	**13,312,331**

(1) The investments fund portfolios consist primarily of fixed-rate and variable rate securities, and their carrying amounts already reflect fair value adjustments at the balance sheet date,

(e) Subsidiary Banrisul S.A. Administradora de Consórcios is responsible for the management of 166 buyers' pools (154 in 12/31/2020), including real estate, motorcycles and vehicles, comprising active 75,816 pool members (70,272 in 12/31/2020).

(f) Banrisul leases properties, mainly used for branches, based on standard contracts which may be cancelled at its own discretion and include renewal options and adjustment clauses. Total future minimum payments under non-cancelable lease agreements as of September 30, 2021 were R$341,000, of which R$103,113 mature in up to one year, R$220,376 from one to five-year term and R$17,511 beyond five-year term. In the period, lease payments recognized as expenses amounted to R$94,134.

NOTE 27 - POST-EMPLOYMENT LONG-TERM BENEFIT OBLIGATIONS TO EMPLOYEES

Banrisul is the sponsor of Banrisul Foundation ("Fundação Banrisul") and Cabergs, ensuring the provision of retirement benefits and medical care to its employees.

Banrisul Foundation is an independent entity that seeks to offer pension benefit plans to its participants, employees from its sponsors and their beneficiaries, through specific contributions established in their respective plans and regulations.

Banrisul's Social Security Policy, operated through Fundação Banrisul de Seguridade Social, and established in January 29, 1963, in accordance with the rules then in force, is legally grounded on article 202 of the Federal Constitution of October 5, 1988, Supplementary Laws No. 108 and No. 109 of May 29, 2001 and other legal provisions in force, issued by regulators of Social Security associated with the Ministry of Finance, the National Supervisory Office of Supplementary Pension (Previc) and the National Council on Supplementary Pension (CNPC), the articles of incorporation of Fundação Banrisul and the relevant regulations of the Benefit Plans and in accordance with CMN Resolutions No 4661/18. As per article 08 of the CMN Resolution No. 4661/18, the Chief Investment Officer, the technically qualified portfolio manager, is to be designated by the Deliberative Committee of the Pension Fund, in the quality of the main officer responsible for managing, allocating, supervising and monitoring the plans resources and by making available information related to the sources and uses of these resources.

The Benefit Plans which put into practice Banrisul's Private Pension Policy are grounded on the respective regulations of the Plans, which set forth all rights and obligations of the Participants, Sponsors, Actuarial Funding Plan, legal deadlines, way of payment of monthly contributions and benefits, length of minimum contribution and other parameters. All regulations are approved by the legal internal management bodies, by the Sponsor(s) and by the Federal Supervision and Regulation bodies, pursuant to the legislation currently in force, In accordance with Previc Instruction No, 10/2018, the Executive Council of Banrisul Foundation has appointed the Administrator Responsible for the Benefit Plan – ARPB.

The set of hypotheses and actuarial methods adopted for the actuarial calculations arose from interaction with an external actuarial advisory firm which performed the calculations for the Benefit Plans managed by Fundação Banrisul, Executive Board and the representatives of the Decision-making Board of the Foundation and supported by the sponsors of Benefit Plan I and Settled Plan (defined benefit type) and FBPREV, FBPREV II and FBPREV III Plan (variable contribution type), pursuant to CNPC Resolution No. 30/2018, Previc Instruction No. 10/2018 and Previc Ordinance No. 300/2019.

Due to the volatilities from Benefit Plan I and seeking alternatives to resolve the matter, the Executive Board of Banrisul Foundation proposed a new migration process, similar to 2014´s, to a new benefit plan (named FBPREV III), with more stable participation costs and other alternatives for the payment of post-employment benefits, in addition to that of lifetime income.

With the approval of the new migration process, granted by the Decree No, 1123/2018 from the National Superintendence of Complementary Social Security - PREVIC, in January 28, 2019, Banrisul Foundation released the terms for the voluntary migration process offered to Benefit Plan I (PBI) participants to switch onto FBPREV III Benefit Plan (FBPREV III), a variable contribution post-employment plan, being the contribution defined by the participant during the reserve accumulation phase and the defined benefit set upon retirement, according to the participant's choice, whether lifelong payments or not, The migration process ended on April 27, 2019.

Pursuant to current legislation, as of June 2019 the sponsoring entities made payments within the migration process. On May 31, 2019, the date of in which the FBPREV III pension benefit plan was implemented, and indexed to INPC plus interest of 4,86% p.a., Banrisul's contribution of R$126,091 in the quality of sponsor, was deposited into the new plan.

As the result of the migration process that ended on April 27, 2019, the number of participants in their respective plans is as follows:

Participants	PBI before Plan Migration	PBI after Plan Migration	FBPREV III Plan (1)
Active	274	35	239
Assisted (Those receiving benefits)	4,519	3,093	1,426
Total	**4,793**	**3,128**	**1,665**

(1) Of the total participants in the FBPREV III Plan, 1,094 participants opted to receive lifetime income benefits at the time of migration.

After the restructuring plan, Banrisul's remaining portion of the debt, in the amount of R$66,230 in December 31, 2019 was distributed as follows: R$23,896 to the Defined Benefit Plan I (PBI), R$16,895 to the Settled Defined Benefit Plan (PBS), R$11,796 to the FBPREV Benefit Plan II (FBPREV II) and R$13,643 to the FBPREV Benefit Plan III (FBPREV III). This debt, due 2028, was paid with the interest rate of 6% p.a., indexed to the General Price Index - Internal Availability - (IGP-DI), periodically updated and with monthly payments, This debt was settled in January 2020.

(a) Key Assumptions

The key assumptions below were elaborated upon information available at December 31, 2020 and 2019, subject to annual review,

Economic Assumptions - 12/31/2020	PBI Plan (% p.a)	Settled Plan (% p.a)	FBPREV Plan (% p.a)	FBPREV II Plan (% p.a)	FBPREV III Plan (% p.a)	Health Plan (% p.a) (1) PAM	POD	PROMED	Retirement Award (% p.a)
Real Actuarial Discount Rate	3.21	3.52	3.46	3.35	3.24	According to Pension Plan (2)	3.65	3.80	3.09
Expected Real Return on Assets	3.21	3.52	3.46	3.35	3.24	According to Pension Plan (2)	3.65	3.80	3.09
Real Salary Growth Rate for Active Employees	2.56	-	5.04	3.24	2.60	According to Pension Plan (2)	n/a	n/a	5.04
Real Growth in Plan Benefits During Receipt	0.30	-	-	-	-	-	-	1.00	-
Capacity Factor on Benefits	98.00	98.00	98.00	98.00	98.00	98.00	100.00	100.00	n/a
Capacity Factor on Salaries	98.00	98.00	98.00	98.00	98.00	98.00	100.00	100.00	100.00
Expected Inflation Rate	3.32	3.32	3.32	3.32	3.32	3.32	3.32	3.32	3.32
Nominal Discount Rate	6.63	6.95	6.89	6.78	6.67	According to Pension Plan (2)	7.09	7.24	6.51
Expected Nominal Return on Assets	6.63	6.95	6.89	6.78	6.67	According to Pension Plan (2)	7.09	7.24	6.51
Nominal Salary Growth Rate for Active Employees	5.96	3.32	8.53	6.67	6.01	According to Pension Plan (2)	n/a	n/a	8.53
Nominal Growth in Plan Benefits During Receipt	3.63	3.32	3.32	3.32	3.32	3.32	3.32	4.35	3.32

(1) Health Plans with post-employment benefits in PAM - Medical and Hospital Assistance Plan, POD - Dental Plan and PROMED - Medication Aid Program.

(2) According to the Pension Plan to which the beneficiaries are registered.

Economic Assumptions - 12/31/2019	PBI Plan (% p.a)	Settled Plan (% p.a)	FBPREV Plan (% p.a)	FBPREV II Plan (% p.a)	FBPREV III Plan (% p.a)	Health Plan (% p.a) (1) PAM	POD	(% p.a)	Retirement Award (% p.a)
Real Actuarial Discount Rate	3.29	3.29	3.29	3.29	3.29	3.29	3.29	3.29	3.29
Expected Real Return on Assets	3.29	3.29	3.29	3.29	3.29	3.29	3.29	3.29	3.29
Real Salary Growth Rate for Active Employees	2.56	-	5.04	4.18	3.35	According to Pension Plan (2)	n/a	n/a	5.04
Real Growth in Plan Benefits During Receipt	-	-	-	-	-	-	-	1.00	-
Capacity Factor on Benefits	98.00	98.00	98.00	98.00	98.00	98.00	100.00	100.00	n/a
Capacity Factor on Salaries	98.00	98.00	98.00	98.00	98.00	98.00	100.00	100.00	100.00
Expected Inflation Rate	3.60	3.60	3.60	3.60	3.60	3.60	3.60	3.60	3.60
Nominal Discount Rate	7.01	7.01	7.01	7.01	7.01	7.01	7.01	7.01	7.01
Expected Nominal Return on Assets	7.01	7.01	7.01	7.01	7.01	7.01	7.01	7.01	7.01
Nominal Salary Growth Rate for Active Employees	6.25	3.60	8.82	7.93	7.07	According to Pension Plan (2)	n/a	n/a	8.82
Nominal Growth in Plan Benefits During Receipt	3.60	3.60	3.60	3.60	3.60	3.60	3.60	4.64	3.60

(1) Health Plans with post-employment benefits in PAM - Medical and Hospital Assistance Plan, POD - Dental Plan and PROMED - Medication Aid Program.

(2) According to the Pension Plan to which the beneficiaries are registered.

Demographic Assumptions as of 12/31/2020	Mortality Table	Mortality Table (Disabled)	Disability Entry Table	Annual Turnover Rate	Option for BPD	Retirement Entry	Family Composition
PBI Plan	AT-2000 (-25%) gender specific	RRB – 83 (-55%)	Álvaro Vindas (-70%)	Exp, Towers modified (+0,03)	BPD: 31%	Probable retirement date informed in the registration postponed: Group 1 in 10 years; Group 2 in 5 years; Group 3 in 1 year and Group 4 in 2 years (3)	To be Granted: Average Family (74% married, woman 4 years younger), Granted: Real Family
Settled Plan	AT-2000 (-30%) gender specific	RRB – 83 (-50%)	Álvaro Vindas (-70%)	Exp, Towers modified (+0,015)	BPD: 52%	Probable retirement date informed in the registration postponed by 4 years	To be Granted: Average Family (74% married, woman 4 years younger), Granted: Real Family
FBPREV Plan	AT-2000 (-30%) gender specific	RRB – 83 (-50%)	Álvaro Vindas (-70%)	Exp, Towers modified (-0,004)	-	-	Real Family, as registered
FBPREV II Plan	AT-2000 (-30%) gender specific	RRB – 83 (-50%)	Álvaro Vindas (-70%)	Exp, Towers modified (+0,035)	-	-	Real Family, as registered
FBPREV III Plan	AT-2000 smoothed by 10%, gender specific	RRB – 83 (-50%)	Álvaro Vindas	3,25%	-	-	Real Family, as registered
Health Plan (1):							
PAM	According to Pension Plan (2)	According to Pension Plan (2)	According to Pension Plan (2)	According to Pension Plan (2)	-	100% in normal retirement according to plan eligibility,	According to Pension Plan (2)
POD	AT-2000 Basic (-25%) gender specific	RRB – 83 (-55%)	Álvaro Vindas (-70%)	Willis Towers Watson Experience Modified (+0,03)	-	100% in normal retirement according to plan eligibility,	Real Family
PROMED	AT-2000 Basic (-25%) gender specific	RRB – 83 (-55%)	Álvaro Vindas (-70%)	Willis Towers Watson Experience Modified (+0,03)	-	100% in normal retirement according to plan eligibility,	Real Family
Retirement Award	AT-2000 (-30%) gender specific	n/a	Álvaro Vindas (-70%)	Exp, Towers modified (-0,004)	-	-	Not used

Demographic Assumptions as of 12/31/2019	Mortality Table	Mortality Table (Disabled)	Disability Entry Table	Annual Turnover Rate	Option for BPD	Retirement Entry	Family Composition
PBI Plan	AT-2000 (-20%) gender specific	RRB – 83 (-50%)	*Light* Smooth (-80%)	Exp, Towers modified (+0,30)	BPD: 43%	Probable retirement date informed in the registration	To be Granted: Average Family (74% married, woman 4 years younger), Granted: Real Family
Settled Plan	AT-2000 smoothed by 10%, gender specific	RRB – 83 (-50%)	*Light* Smooth (-80%)	Exp, Towers modified (+0,01)	BPD: 73%	Probable retirement date informed in the registration	To be Granted: Average Family (74% married, woman 4 years younger), Granted: Real Family
FBPREV Plan	AT-2000 (-20%) gender specific	RRB – 83 (-50%)	*Light* Smooth (-80%)	Exp, Towers modified (-0,005)	-	-	Real Family, as registered
FBPREV II Plan	AT-2000 (-20%) gender specific	RRB – 83 (-50%)	*Light* Smooth (-80%)	Exp, Towers modified (+0,04)	-	-	Real Family, as registered
FBPREV III Plan	AT-2000 Basic gender specific	RRB – 83 (-50%)	*Light* Strong (-60%)	0,64%	-	-	Real Family, as registered
Health Plan (1):							
PAM	According to Pension Plan (2)	According to Pension Plan (2)	According to Pension Plan (2)	According to Pension Plan (2)	-	100% in normal retirement according to plan eligibility,	According to Pension Plan (2)
POD	AT-2000 Basic (-20%) gender specific	RRB – 83 (-50%)	*Light* Smooth (-80%)	Exp, Towers modified (+0,04)	-	100% in normal retirement according to plan eligibility,	Real Family
PROMED	AT-2000 Basic (-20%) gender specific	RRB – 83 (-50%)	*Light* Smooth (-80%)	Exp, Towers modified (+0,04)	-	100% in normal retirement according to plan eligibility,	Real Family
Retirement Award	AT-2000 (-20%) gender specific	n/a	*Light* Smooth (-80%)	Exp, Towers modified (-0,005)	-	-	Not used

(1) Health Plans with post-employment benefits in PAM - Medical and Hospital Assistance Plan, POD - Dental Plan and PROMED - Medication Aid Program.

(2) According to the Pension Plan to which the beneficiaries are registered.

(3) Group 1: registration until January 23, 1978; Group 2: registration between January 24, 1978 and June 30, 1983; Group 3: registration between July 01, 1983 and December 31, 1990; and Group4: registration from January 01, 1991.

The assumptions relating to mortality experience are set based on the actuarial experience, adjusted according to the demographic profile of Banrisul employees.

The current value of obligations for the defined benefit pension plan is obtained from actuarial calculations, which use a set of financial, economic and biometric assumptions. The discount rate is among the assumptions used in determining the net cost (income) for these plans. Any changes in these assumptions will affect the carrying value of the obligations of pension plans.

Banrisul determines the appropriate discount rate at the end of each year, in observance of CVM Rule No. 695/12 and CMN Resolution No. 4424/15, which is used to determine the present value of estimated future cash outflows that shall be required to settle the obligations of pension plans. The real discount rates were calculated considering the interpolation of the rates of the IMA-B index, released by ANBIMA, as of December 31, 2020.

Pursuant to CNPC Resolution No. 30/2018, combined with Previc Instruction No. 10/2018 and Previc Ordinance No. 300/2019, Fundação Banrisul de Seguridade Social carries out studies to establish the profile of the obligation maturities of the Benefit Plans I and determine the duration and other analyses of distribution of the payment of benefits.

Other important assumptions for pension obligations are based in part on current market conditions.

(b) Descriptions of the Plans and Other Long-Term Benefits

Benefit Plan I (PBI) - This plan, incorporated as a defined benefit plan, encompass post-retirement benefits, salary payment during any sickness period of the participant, prisoner's family grant, funeral allowance and annual bonus.

The plan participants' monthly contribution corresponds to the payment of percentages of their salary, The Benefit Plan was closed to new members as from July 2009.

Settled Defined Plan (PBS) - the benefits provided by this defined benefit plan include settled retirement benefit, settled disability benefit, death benefits, funeral assistance and annual bonus.

There will not be ordinary contributions to the settled benefit plan and, upon retirement, the participant will receive a benefit proportional to the period of contribution to the PBI plan.

Plan FBPREV - provides variable contribution benefits, such as regular retirement, early retirement, disability retirement, proportional benefits, sick pays, annual bonus, minimum benefit, life insurance with survival coverage benefit and funeral allowance.

The participant's regular contributions comprise three portions:
(i) Basic portion: 1% to 3% (0,5% intervals) of the monthly contribution pay base;
(ii) Additional portion: may vary from 1% to 7,5% (0,5% intervals) of the monthly contribution pay base in excess of 9 (nine) reference units; and
(iii) Variable portion: percentage applied to the monthly contribution pay basis, annually established by the actuary to cover 50% of the costs of risk benefits and 50% of the plan's administrative expenses.

In addition to regular contributions, a participant may opt to make monthly contributions not lower than 1 (one) reference unit and not matched by the sponsor.

Banrisul's contributions match the participants' regular contributions.

Plan FBPREV II - provides variable contribution benefits, such as regular retirement, early retirement, disability retirement, proportional benefits, sick pays, annual bonus, minimum benefit and, life insurance with survival coverage benefit and funeral allowance.

The participant's regular contributions comprise three portions:

(i) Basic portion: 3% to 5% of the monthly contribution pay base;

(ii) Additional portion: may vary from 5% to 10% of the monthly contribution pay base in excess of 9 (nine) reference units; and
(iii) Variable portion: percentage applied to the monthly contribution pay basis, annually established by the actuary to cover 50% of the costs of risk benefits and 50% of the plan's administrative expenses, calculated at 10% of the total of other contributions.

In addition to regular contributions, the participant may opt to make contributions not lower than 1 (one) reference unit not matched by the sponsor.

Banrisul's contributions match the participants' regular contributions.

Plan FBPREV III - provides variable contribution benefits, such as regular retirement, early retirement, disability retirement, proportional benefits, sick pays, annual bonus, minimum benefit and, life insurance with survival coverage benefit and funeral allowance.

The participant's regular contributions comprise three portions:

(i) Basic portion: 3%, 4% or 5% of the monthly contribution pay base;
(ii) Additional portion: may vary from 5% to 10% of the monthly contribution pay base in excess of 9 (nine) reference units; and
(iii) Variable portion: percentage applied to the monthly contribution pay basis, annually established by the actuary to cover 50% of the costs of risk benefits and the plan's administrative expenses.

In addition to regular contributions, the participant may opt to make contributions not lower than 1 (one) reference unit not matched by the sponsor.

Banrisul's contributions match the participants' regular contributions.

Health Plan (PAM, POD and PROMED) - Banrisul offers health plans through CABERGS, to its active employees and retirees by Banrisul Foundation.

Retirement Award (Post-employment Benefits) - Banrisul grants its employees a premium for retirement that is paid in full on the date the employee leaves the company for retirement.

(c) Main Actuarial Risks

Banco do Estado do Rio Grande do Sul and Fundação Banrisul de Seguridade Social together may carry out studies of asset-liability gaps in order to identify transactions in the financial, capital and insurance markets which could reduce or eliminate the actuarial risks of the Plans.

Through its defined benefit plans, the Bank is exposed to a number of risks, the most significant being:

Volatility of Assets - the plan's obligations are calculated using a discount rate that is established based on the profitability of corporate or government bonds, in the absence of an active market; If the event that the plan assets do not achieve such profitability, a deficit is created. The pension plans in Brazil and in the United States maintain a significant proportion of their assets invested in equity, whose yield is expected to exceed the yield of the corporate bonds in the long term, while resulting in volatility and risk in the short term.

Variation in Bond Yields - a decrease in the yield of private or government bonds will result in the increase of the liabilities of the plan, although this variation may be partially offset by an increase in the fair value of securities held by the plans.

Inflation Risk - certain obligations of the Banrisul's pension plans are linked to inflation indexes, and higher inflation will lead to higher level of obligations (though, in many cases, there are limits to the level of inflation adjustments allowed to protect the plan against extreme inflation rates). Most of the plan assets either are not affected (securities with fixed interest) or have a small correlation (equity) with inflation, which means that higher inflation will also result in higher deficits.

Life Expectancy - most of the obligations of the plans is to grant lifetime benefits to participants. Therefore, increases in life expectancy will result in increased obligations of the plans.

(d) Plan Asset Management

The Plan's asset allocations percentage are as follow:

Plans	PB I Plan % Allocated		Settled Plan % Allocated		FBPREV Plan % Allocated		FBPREV II Plan % Allocated		FBPREV III Plan % Allocated		Health Plan % Allocated	
Categories	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**
Cash	0.02	-	0.02	-	0.01	-	0.01	-	0.01	-	0.09	-
Fixed Income	71.51	77.00	75.92	77.81	78.45	86.00	77.67	83.35	71.43	78.23	97.64	97.97
Equity	9.82	9.98	8.08	9.62	4.07	3.27	5.72	6.40	9.44	9.58	2.27	2.03
Real Estate	4.28	3.45	3.12	2.90	0.27	0.39	1.57	1.41	3.92	3.17	-	-
Other	14.37	9.57	12.86	9.67	17.2	10.34	15.03	8.84	15.2	9.02	-	-
Total	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**

Defined benefit plan assets include Banrisul shares with a fair value of R$21,692 (12/31/2019 - R$15,935) and rented real state with a fair value of R$123,806 (12/31/2019 - R$125,701).

(e) Actuarial Reviews

The net actuarial (asset)/liability breakdown summary for the fiscal years ended December 31, 2020 and 2019, prepared based on the actuarial report as of December 31, 2020 and 2019, respectively, and in accordance with CPC 33 (R1), is shown below:

Liabilities/(Assets) Recorded in the Balance Sheet with Benefits of:	12/31/2020	12/31/2019
Pension Plans		
Benefit Plan I (PBI)	556,285	470,944
Settled Plan (PBS)	306,765	252,809
FBPREV Plan (FBPREV)	452	(9)
FBPREV II Plan (FBPREV II)	(9)	(63)
FBPREV III Plan (FBPREV III)	81,458	69,027
Health Plan (PAM, POD and PROMED)	(228,908)	(212,585)
Retirement Award	194,483	214,055
Total	**910,526**	**794,178**

The breakdown of the net actuarial liabilities/(assets) prepared based on the actuarial reports as of December 31, 2020 and 2019, and according to CPC 33 (R1), is as follows:

Balance of net liabilities (assets) as of 12/31/2020	**Benefit Plan I**	**Settled Plan**	**FBPREV Plan**	**FBPREV II Plan**	**FBPREV III Plan**	**Health Plan**	**Retirement Award**
Actuarial Liabilities Assessed in the Actuarial Report	1,754,779	1,561,554	19,062	178,207	427,271	228,908	194,483
Fair Value of Plan Assets	(1,198,494)	(1,254,789)	(18,618)	(186,180)	(345,834)	(512,738)	-
Deficit/(Surplus)	**556,285**	**306,765**	**444**	**(7,973)**	**81,437**	**(283,830)**	**194,483**
Effect of Asset Limit	-	-	8	7,964	21	54,922	-
Net Actuarial Liabilities (Assets)	**556,285**	**306,765**	**452**	**(9)**	**81,458**	**(228,908)**	**194,483**

Balance of net liabilities (assets) as of 12/31/2019	**Benefit Plan I**	**Settled Plan**	**FBPREV Plan**	**FBPREV II Plan**	**FBPREV III Plan**	**Health Plan**	**Retirement Award**
Actuarial Liabilities Assessed in the Actuarial Report	1,805,025	1,529,458	17,269	156,833	411,108	212,585	214,055
Fair Value of Plan Assets	(1,334,081)	(1,276,649)	(19,566)	(168,710)	(342,081)	(461,283)	-
Deficit/(Surplus)	**470,944**	**252,809**	**(2,297)**	**(11,877)**	**69,027**	**(248,698)**	**214,055**
Effect of Asset Limit	-	-	2,288	11,814	-	36,113	-
Net Actuarial Liabilities (Assets)	**470,944**	**252,809**	**(9)**	**(63)**	**69,027**	**(212,585)**	**214,055**

Changes in Present Value of Actuarial Liabilities as of 12/31/2020	**Benefit Plan I**	**Settled Plan**	**FBPREV Plan**	**FBPREV II Plan**	**FBPREV III Plan**	**Health Plan**	**Retirement Award**
Present Value of Actuarial Liabilities as of January 1st	**1,805,025**	**1,529,458**	**17,269**	**156,833**	**411,108**	**212,585**	**214,055**
Net Cost of Current Service	(25)	-	1,206	346	3	362	10,353
Contributions from Plan Participants in the Period	36,694	3,217	581	651	-	-	-
Interest on Actuarial Liabilities	120,453	103,874	1,199	10,694	27,706	14,599	13,562
Benefits Paid in the Period	(171,226)	(89,991)	(764)	(11,556)	(33,398)	(9,430)	(33,148)
(Gain)/Loss on Actuarial Liabilities	(36,142)	14,996	(429)	21,239	21,852	10,792	(10,339)
Present Value of Actuarial Liabilities at End of Period	**1,754,779**	**1,561,554**	**19,062**	**178,207**	**427,271**	**228,908**	**194,483**

Changes in Present Value of Actuarial Liabilities as of 12/31/2019	**Benefit Plan I**	**Settled Plan**	**FBPREV Plan**	**FBPREV II Plan**	**FBPREV III Plan**	**Health Plan**	**Retirement Award**
Present Value of Actuarial Liabilities as of January 1st	**2,402,077**	**1,239,923**	**14,327**	**112,186**	**-**	**197,461**	**204,238**
Net Cost of Current Service	(1,539)	-	1,107	649	1	1,893	8,744
Cost of Past Service	(957,214)	-	-	-	-	-	-
Contributions from Plan Participants in the Period	42,855	2,993	508	-	-	-	-
Interest on Actuarial Liabilities	159,411	109,075	1,299	9,948	18,259	17,705	16,516
Benefits Paid in the Period	(203,186)	(87,719)	(395)	(11,717)	(23,200)	(8,707)	(22,651)
(Gain)/Loss on Actuarial Liabilities	362,621	265,186	423	45,767	156	4,233	7,208
Transfers	-	-	-	-	415,892	-	-
Present Value of Actuarial Liabilities at end of Period (Restated)	**1,805,025**	**1,529,458**	**17,269**	**156,833**	**411,108**	**212,585**	**214,055**

Changes in the Fair Value of Plan Assets as of 12/31/2020	Benefit Plan I	Settled Plan	FBPREV Plan	FBPREV II Plan	FBPREV III Plan	Health Plan	Retirement Award
Fair Value of the Plan Assets as of January 1st	**(1,334,081)**	**(1,276,649)**	**(19,566)**	**(168,710)**	**(342,081)**	**(461,283)**	**-**
Benefits Paid from Plan Assets in the Period	171,226	89,991	764	11,556	33,398	-	-
Contributions from Plan Participants in the Period	(36,694)	(3,217)	(581)	(651)	-	-	-
Contributions from the Sponsor in the Period	(57,315)	(20,725)	(477)	(641)	(13,821)	-	-
Expected Return on Assets	(90,260)	(86,476)	(1,377)	(11,586)	(22,945)	(32,329)	-
(Gain)/Loss on Fair Value of the Plan Assets	148,630	42,287	2,619	(16,148)	(385)	(19,126)	-
Fair Value of the Plan Assets at end of Period	**(1,198,494)**	**(1,254,789)**	**(18,618)**	**(186,180)**	**(345,834)**	**(512,738)**	**-**

Changes in the Fair Value of Plan Assets as of 12/31/2019	Benefit Plan I	Settled Plan	FBPREV Plan	FBPREV II Plan	FBPREV III Plan	Health Plan	Retirement Award
Fair Value of the Plan Assets as of January 1st	**(1,952,694)**	**(1,163,712)**	**(14,975)**	**(138,863)**	**-**	**(385,517)**	**-**
Benefits Paid from Plan Assets in the Period	203,186	87,719	395	11,717	23,200	-	-
Contributions from Plan Participants in the Period	(42,855)	(2,993)	(508)	-	(55,865)	-	-
Contributions from the Sponsor in the Period	(33,839)	(6,405)	(380)	(1,663)	(1,136)	-	-
Expected Return on Assets	(132,247)	(102,553)	(1,392)	(12,464)	(16,064)	(34,712)	-
(Gain)/Loss on Fair Value of the Plan Assets	(123,333)	(88,705)	(2,706)	(27,437)	20,136	(41,054)	-
Transfers	-	-	-	-	(312,352)	-	-
Early Termination of Liabilities	747,701	-	-	-	-	-	-
Fair Value of the Plan Assets at end of Period	**(1,334,081)**	**(1,276,649)**	**(19,566)**	**(168,710)**	**(342,081)**	**(461,283)**	**-**

Net Actuarial Liabilities (Assets) of the Plan as of 12/31/2020	Benefit Plan I	Settled Plan	FBPREV Plan	FBPREV II Plan	FBPREV III Plan	Health Plan	Retirement Award
Net Actuarial Liabilities (Assets) at End of Previous Year	**470,944**	**252,809**	**(9)**	**(63)**	**69,027**	**(212,585)**	**214,055**
Expense/(Revenue) Recognized in Income for the Year	**30,168**	**17,398**	**1,188**	**282**	**4,764**	**(14,837)**	**23,915**
(Gains)/Losses Recognized in Comprehensive Income	112,488	57,283	(250)	413	21,488	7,944	(10,339)
Contributions from the Sponsor	(57,315)	(20,725)	(477)	(641)	(13,821)	(9,430)	-
Benefits Paid Directly by the Sponsor	-	-	-	-	-	-	(33,148)
Net Actuarial Liabilities (Assets) at the of Current Year	**556,285**	**306,765**	**452**	**(9)**	**81,458**	**(228,908)**	**194,483**

Net Actuarial Liabilities (Assets) of the Plan as of 12/31/2019	Benefit Plan I	Settled Plan	FBPREV Plan	FBPREV II Plan	FBPREV III Plan	Health Plan	Retirement Award
Net Actuarial Liabilities (Assets) at End of Previous Year	**449,383**	**76,211**	**(1)**	**(8)**	**-**	**(188,056)**	**204,238**
Expense/(Revenue) Recognized in Income for the Year	**(183,888)**	**6,522**	**1,074**	**573**	**418,088**	**(15,114)**	**25,260**
(Gains)/Losses Recognized in Comprehensive Income	239,288	176,481	(702)	1,035	20,292	(708)	7,208
Contributions from the Sponsor	(33,839)	(6,405)	(380)	(1,663)	(57,001)	(8,707)	-
Benefits Paid Directly by the Sponsor	-	-	-	-	-	-	(22,651)
Transfers	-	-	-	-	(312,352)	-	-
Net Actuarial Liabilities (Assets) at the of Current Year	**470,944**	**252,809**	**(9)**	**(63)**	**69,027**	**(212,585)**	**214,055**

Result for the Year of 2020	Benefit Plan I	Settled Plan	FBPREV Plan	FBPREV II Plan	FBPREV III Plan	Health Plan	Retirement Award
Net Cost of Current Services	(25)	-	1,206	346	3	362	10,353
Cost of Interest on Actuarial Liabilities	120,453	103,874	1,199	10,694	27,706	14,599	13,562
Expected Return on Plan Assets	(90,260)	(86,476)	(1,377)	(11,586)	(22,945)	(32,329)	-
Interest on Effect of Asset Limit and Additional Liabilities	-	-	160	828	-	2,531	-
Total Expense (Income) Recognized in Result for the Year	**30,168**	**17,398**	**1,188**	**282**	**4,764**	**(14,837)**	**23,915**

Result for the Year of 2019	Benefit Plan I	Settled Plan	FBPREV Plan	FBPREV II Plan	FBPREV III Plan	Health Plan	Retirement Award
Net Cost of Current Services	(211,052)		1,107	649	415,893	1,893	8,744
Cost of Interest on Actuarial Liabilities	159,411	109,075	1,299	9,948	18,259	17,705	16,516
Expected Return on Plan Assets	(132,247)	(102,553)	(1,392)	(12,464)	(16,064)	(34,712)	-
Interest on Effect of Asset Limit and Additional Liabilities	-	-	60	2,440	-		-
Total Expense (Income) Recognized in Result for the Year	**(183,888)**	**6,522**	**1,074**	**573**	**418,088**	**(15,114)**	**25,260**

Other Comprehensive Income in 2020	Benefit Plan I	Settled Plan	FBPREV Plan	FBPREV II Plan	FBPREV III Plan	Health Plan	Retirement Award
(Gain)/Loss on Plan Assets	148,630	42,287	2,619	(16,148)	(385)	(19,126)	-
(Gain)/Loss on Actuarial Liabilities	(36,142)	14,996	(429)	21,239	21,852	10,792	(10,339)
(Gain)/Loss on Effect of Asset Limit and Additional Liabilities	-	-	(2,440)	(4,678)	21	16,278	-
(Gain)/Loss Recognized in Other Comprehensive Income	**112,488**	**57,283**	**(250)**	**413**	**21,488**	**7,944**	**(10,339)**

Other Comprehensive Income in 2019	Benefit Plan I	Settled Plan	FBPREV Plan	FBPREV II Plan	FBPREV III Plan	Health Plan	Retirement Award
(Gain)/Loss on Plan Assets	(123,333)	(88,705)	(2,706)	(27,437)	20,136	(41,054)	-
(Gain)/Loss on Actuarial Liabilities	362,621	265,186	423	45,767	156	4,233	7,208
(Gain)/Loss on Effect of Asset Limit and Additional Liabilities	-	-	1,581	(17,295)	-	36,113	-
(Gain)/Loss Recognized in Other Comprehensive Income	**239,288**	**176,481**	**(702)**	**1,035**	**20,292**	**(708)**	**7,208**

Result of the Year Projected for the Next Period	Benefit Plan I	Settled Plan	FBPREV Plan	FBPREV II Plan	FBPREV III Plan	Health Plan	Retirement Award
Net Cost of Current Services	154	-	994	(245)	3	(615)	9,475
Cost of Interest on Actuarial Liabilities	111,621	105,484	1,269	11,688	27,409	15,919	11,567
Expected Return on Plan Assets	(75,658)	(84,261)	(1,268)	(12,270)	(21,975)	(36,352)	-
Interest on Effect of Asset Limit and Additional Liabilities	-	-	1	540	1	3,894	-
Estimated Actuarial Expense (Income)	**36,117**	**21,223**	**996**	**(287)**	**5,438**	**(17,154)**	**21,042**

Estimated Cash Flow for the Next Period	Benefit Plan I	Settled Plan	FBPREV Plan	FBPREV II Plan	FBPREV III Plan	Health Plan	Retirement Award
Contributions Paid by the Sponsor	37,004	3,140	446	635	-	9,030	-
Contributions Paid by Plan Participants	51,396	3,140	446	635	-	-	-
Benefits Paid on Plan Assets	182,697	93,775	1,326	11,783	33,488	9,030	-
Benefits Paid Directly by the Sponsor	-	-	-	-	-	-	34,026

The estimated benefit payments for the next 10 years are as follows:

Maturity Profile of the Present Value of the Liability	Benefit Plan I	Settled Plan	FBPREV Plan	FBPREV II Plan	FBPREV III Plan	Health Plan	Retirement Award
2021	182,697	93,775	1,205	11,783	32,581	9,029	34,026
2022	172,612	93,908	1,100	10,370	31,748	10,637	10,079
2023	169,395	93,171	987	10,188	31,028	10,852	12,437
2024	165,994	92,317	1,086	10,011	30,254	11,175	13,700
2025	162,294	96,686	1,019	9,875	29,436	11,581	18,037
2026 to 2030	750,574	471,827	5,024	47,043	133,860	75,671	70,062

The weighted average duration of the present value of the liabilities is as follows:

						Health Plan			
Duration (in years)	**Benefit Plan I**	**Settled Plan**	**FBPREV Plan**	**FBPREV II Plan**	**FBPREV III Plan**	**PAM**	**POD**	**PROMED**	**Retirement Award**
12/31/2020	10,39	12,33	11,97	11,28	10,63	According to Pension Plan (1)	13,34	16,23	9,51
12/31/2019	10,17	11,53	11,32	10,30	9,80	15,30	15,30	15,30	10,20

(1) According to the Pension Plan to which the beneficiaries are registered, Other information concerning the plans:

Number of Participants as of 12/31/2020	Benefit Plan I	Settled Plan	FBPREV Plan	FBPREV II Plan	FBPREV III Plan	Health Plan PAM	Health Plan POD	Health Plan PROMED	Retirement Award
Active	53	729	5,338	3,785	188	2,455	535	9,004	9,732
Assisted	3,792	2,600	66	1,249	1,748	5,368	3,007	5,902	-
Total	**3,845**	**3,329**	**5,404**	**5,034**	**1,936**	**7,823**	**3,542**	**14,906**	**9,732**

Number of Participants as of 12/31/2019	Benefit Plan I	Settled Plan	FBPREV Plan	FBPREV II Plan	FBPREV III Plan	Health Plan PAM	Health Plan POD	Health Plan PROMED	Retirement Award
Active	152	756	5,385	3,877	193	3,112	599	9,384	10,382
Assisted	3,005	2,217	43	1,113	1,377	4,831	3,121	5,845	-
Total	**3,157**	**2,973**	**5,428**	**4,990**	**1,570**	**7,943**	**3,720**	**15,229**	**10,382**

(f) Sensitivity Analysis

The assumptions adopted for the actuarial valuation of the defined benefit plan have a significant effect on the amounts reported, The following tables show the impact on the calculation of benefits considering changes in the assumptions considered in the last actuarial revaluation performed for each post-employment benefit,

Benefit Plan I (PBI) - 12/31/2020		Impact in R$ Thousand
Assumption Description	**Hypothesis**	**Effect on Present Value of Actuarial Liabilities**
Discount Rate	Increase of 0.5 p.p.	(84,957)
Discount Rate	Decrease of 0.5 p.p.	93,280
Mortality Table	Increase of 10%	(64,107)
Mortality Table	Decrease of 10%	74,035

Settled Plan (PBS) - 12/31/2020		Impact in R$ Thousand
Assumption Description	**Hypothesis**	**Effect on Present Value of Actuarial Liabilities**
Discount Rate	Increase of 0.5 p.p.	(87,263)
Discount Rate	Decrease of 0.5 p.p.	96,418
Mortality Table	Increase of 10%	(46,648)
Mortality Table	Decrease of 10%	58,156

FBPREV Plan (FBPREV) - 12/31/2020		Impact in R$ Thousand
Assumption Description	**Hypothesis**	**Effect on Present Value of Actuarial Liabilities**
Discount Rate	Increase of 0.5 p.p.	(1,036)
Discount Rate	Decrease of 0.5 p.p.	1,147
Mortality Table	Increase of 10%	(1,022)
Mortality Table	Decrease of 10%	1,035

FBPREV II Plan (FBPREV II) - 12/31/2020		Impact in R$ Thousand
Assumption Description	**Hypothesis**	**Effect on Present Value of Actuarial Liabilities**
Discount Rate	Increase of 0.5 p.p.	(7,991)
Discount Rate	Decrease of 0.5 p.p.	8,804
Mortality Table	Increase of 10%	(3,041)
Mortality Table	Decrease of 10%	3,594

FBPREV III Plan (FBPREV III) - 12/31/2020		Impact in R$ Thousand
Assumption Description	**Hypothesis**	**Effect on Present Value of Actuarial Liabilities**
Discount Rate	Increase of 0.5 p.p.	(21,063)
Discount Rate	Decrease of 0.5 p.p.	23,319
Mortality Table	Increase of 10%	(11,906)
Mortality Table	Decrease of 10%	13,229

Health Plan - 12/31/2020		Impact in R$ Thousand
Assumption Description	**Hypothesis**	**Effect on Present Value of Actuarial Liabilities**
Discount Rate	Increase of 0.5 p.p.	(15,226)
Discount Rate	Decrease of 0.5 p.p.	17,117
Mortality Table	Increase of 10%	(5,204)
Mortality Table	Decrease of 10%	6,023

Retirement Award - 12/31/2020		Impact in R$ Thousand
Assumption Description	**Hypothesis**	**Effect on Present Value of Actuarial Liabilities**
Discount Rate	Increase of 0.5 p.p.	(8,697)
Discount Rate	Decrease of 0.5 p.p.	9,560
Mortality Table	Increase of 10%	(583)
Mortality Table	Decrease of 10%	586

NOTE 28 - CORPORATE RISKS AND CAPITAL MANAGEMENT

The joint management of Capital and credit, market, Interest Risk Rate in The Banking Book (IRRBB, the variation of interest rates for instruments classified in the banking portfolio), liquidity, operational and socio-environmental risks is an essential and strategic tool for a financial institution, The constant improvement on processes of **i)** monitoring, control, evaluation, goal planning and capital requirements; and **ii)** identification, measurement, evaluation, monitoring, control and mitigation of risks contribute to good governance practices aligned to the strategic objectives of the Institution.

Controlling corporate risk and capital management rely on all layers involved on Banrisul's administration and others companies of its Prudential Conglomerate, The integrated risk management structure for managing risks related to Banrisul Group is led by the Corporate Risk Management Department, responsible for capital management and credit, market, IRRBB, liquidity, operational and socio-environmental risks, with the support of the Control and Risk Executive Board, The information produced by that Department subsidizes the Risk Committee (as well as others Management Committees), the Board of Directors and the Executive Board in the decision-making process, The Control and Risk Executive Board is responsible for the Corporate Risk Management Department and the Board of Directors is responsible for information disclosed in regards to risk management.

Banrisul seeks to align its management activities to the recommendations from the Basel Committee, adopting the best market practices to maximize profitability and to ensure the best possible combination of asset applications and required capital use.

Credit Risk

This corresponds to the possibility of incurring losses related to the nonperformance of a loan or obligation by the counterparty under the agreed terms, the devaluation, the reduction of remuneration and earnings expected for a financial instrument arising from the deterioration of the credit quality of the counterparty, the intervening party or the mitigating instrument; restructuring of financial instruments; or recovery costs of troublesome assets.

The credit risk assessment structure is based on the statistical methodologies of Application and Behavior Score and/or the principle of joint technical decision. Banrisul defines different credit limits corresponding to the decision levels, from the widespread branch network (with different categories) to the credit and risk committees at the Head Office and the Board of Directors. This process aims at expediting the concession of credit limits based on technically predefined customers, which establish Banrisul's risk exposure for each customer, in conformity with the risk/return ratio.

Risk assessments are increased through the continuous and growing use of statistical models to assess customers' risks, the improvements in customers' segmentation, the standardization of credit and the business policies along with the optimization of the controls strengthen Banrisul's credit risk management, allowing the continuity of loan credit expansion in a sustainable way, with agility and safety. The use and improvement of Application and Behavior Score systems have permitted that pre-approved credit limits to individuals be established in accordance with their risk ratings.

(a) Credit Risk Assessment

Lending Operations - Banrisul assesses the probability of default of each counterparty individually by using credit rating tools designed for different categories of counterparties. Such proprietary tools, which combine statistical analyses and the opinion of the staff of the credit area, are validated, when appropriate, by comparing external available data. The rating tools are reviewed and updated when necessary. Periodically, Management validates the rating performance and its capacity to forecast default events.

Default exposure is based on the total amounts that may be owed to Banrisul at the time of default; in the case of a loan, for example, it corresponds to the nominal value.

(b) Credit Risk Control

Credit risk control basically includes the following procedures:

(i) Credit risk exposure is managed through regular analysis of borrowers, both actual and potential, regarding principal and interest payments and changes in the cadastral situation and its limits, when appropriate;

(ii) In the case of a counterparty, the exposure to any borrower, including financial agents, is additionally restricted by sublimit that covers adventitious exposures, whether recorded or not, in the financial statements; and

(iii) The levels of risk that the Institution assumes are structured based on the definition of limits on the extent of acceptable risk in relation to a specific debtor, groups of debtors, industry segments, among others, Concentrations are periodically monitored and subject to review, When necessary, limits on the level of credit risk are approved by the Executive Board and the Board of Directors.

Market Risk

The Bank is exposed to market risks arising from the possibility of loss due to the fluctuation in the market values of instruments held by the institution, This definition includes the risk of changes in interest rates and stock prices for instruments classified in the trading portfolio and the risk of exchange variation and commodity prices for instruments classified in the trading or banking portfolio.

The Bank is exposed to foreign exchange risk arising from currency exposures, primarily with respect to the US dollar, Foreign exchange risk arises from the operation of foreign funding described in Note 17 and 18. To manage its foreign exchange risk, Banrisul uses derivative contracts as an instrument of protection (hedge market risk), as described in Note 03 (e).

The management of market risk in Banrisul is held by the Corporate Risk Management Unit, responsible for executing and annually updating risk policies, managing strategies of Banrisul's market risk, establishing operational limits to identify, monitor, assess and manage exposure to risks of trading and non-trading portfolios.

The management of market risk in Banrisul is segregated among operations classified in the trading portfolio; in others words, operations in financial instruments, including derivatives held for trading or intended for the hedging of other elements in the trading portfolio, and which are not subject to the limitation of their negotiability, and operations classified under non-tradeable portfolio or banking portfolio, that includes all operations of the institution not classified in the trading portfolio, as the loan portfolio, portfolio of securities held to maturity, time deposits, savings deposits and other transactions held up to maturity.

In measuring the market risk of the trading portfolio, the Value at Risk (VaR) methodology is used for calculating the exposure of operations with a risk factor for pre-determined interest rates, VaR is a measure of the maximum expected loss in monetary value under normal market conditions in a given time horizon of ten days, with a probability level of 99%, used to measure the exposures subject to market risk, For the calculation of exposure in other indexes, the Maturity Ladder approach is used.

The Institution also conducts quarterly sensitivity analysis for the trading portfolio based on specific scenarios for each risk factor, The goal is to measure the impact of market fluctuations on the portfolio of the institution and its ability to recover from a potential worsening of crisis.

Sensitivity Analysis of Trading Portfolio - to enhance risk management and comply with Corporate Governance practices, Banrisul conducted a sensitivity analysis of its trading portfolios, without considering derivatives, Stress tests are carried out for upward or downward variations on the following scenarios: 1% (Scenario 1), 25% (Scenario 2) and 50% (Scenario 3),

Trading Portfolio - to set the scenarios that compose the table of sensitivity analysis, Banrisul considered the situations as follows:

Scenario 1: Probable situation, Assumptions: a deterioration of 1% in market risk variables, taking into account prevailing conditions at September 30, 2021.

Scenario 2: Possible situation, Assumptions: a deterioration of 25% in market risk variables, taking into account prevailing conditions at September 30, 2021.
Scenario 3: Remote situation, Assumptions: a deterioration of 50% in market risk variables, taking into account prevailing conditions at September 30, 2021.

The following table shows the highest expected loss considering scenarios 1, 2 and 3.

For Foreign Exchange Risk, the rate of R$5.4394/USD1.00 as of September 30, 2021. (PTAX - Central Bank of Brazil) was used.

Sensitivity analyses identified below do not consider the responsiveness of the risk and treasury areas because, once loss is observed on these positions, risk mitigating measures may be taken which could mitigate the possibility of significant losses.

Sensitivity Test: Trading Portfolio

Scenarios		Risk Factors			Total
		Interest Rate	Exchange Rate	Equity	
1	1%	29	3,208	140	**3,377**
2	25%	730	80,201	3,481	**84,412**
3	50%	1,448	160,402	6,963	**168,813**

Definitions:

Interest Rate - exposures subject to variations in interest rates, fixed-coupon interest rates and inflation indexes.
Exchange Rate - exposures subject to currency fluctuations.
Equity - exposures subject to the variation of stock prices.

Analyzing the results, the “Foreign Currency” Risk Factor identifies the largest expected loss, which represents approximately 95% of all expected loss for the three scenarios. We observed that the expected loss in Scenario 2 was 25 times greater than in Scenario 1. From Scenario 2 to Scenario 3, the variation is 100%. The greatest expected loss in these Sensitivity Test Scenarios occurs in Scenario 3 (65.8%), in the total amount of R$168,813.

Sensitivity Analysis of Derivative financial instruments - Banrisul also conducted a sensitivity analysis of its derivatives positions (trading portfolio) and the international funding transactions carried out for USD823.185million (823.185 million U.S. Dollars) recorded in the Banking Portfolio (Note 17 and 18), upon which stress tests were conducted for upward and downward variations in Scenarios I, II and III.

Stress tests were carried out on the value of foreign currency U.S. Dollar considering the rate of R$5.4527 on September 30, 2021 (1:00 pm, SPOT price - Central Bank of Brazil).

Scenario I is the most probable one and considers the changes expected by the Bank in relation to the market reference curves (B3 S.A. - Brasil, Bolsa, Balcão), used to mark to market such financial instruments, Scenarios II and III are defined to contemplate variations of +25% and +50% and scenarios of decreases of -25% and -50%.

As they reflect projections, Scenario I is defined by the increase of 1% in the U.S. Dollar coupon, the Scenario II is defined by the increase of 25% in the U.S. Dollar coupon, and the scenario III is defined by the increase of 50% in the U.S. Dollar coupon, according to the Bank's position, considering the conditions prevailing on September 30, 2021.

The sensitivity analyses shown below were established using premises and assumptions regarding future events, The estimated scenarios show the impacts on the outcome for each scenario in a static position of the portfolio as of September 30, 2021.

The table below shows the probability of impact on the cash flow in the three scenarios of derivatives exposures (or trading portfolio) and in the instrument being hedged (banking portfolio or held to maturity) on September 30, 2021 independently, since the Bank does not practice hedge accounting.

Trading and Banking Portfolio

Operation	Portfolio	Risk	Scenario I	Scenario II	Scenario III
Swap	Trading	Increase in U.S. Dollar Coupon	(3,200)	(76,407)	(146,003)
		Line Item Being Hedged			
Debt 1	Banking	Increase in U.S. Dollar Coupon	3,200	76,408	146,004
	Net Effect		-	**(2)**	-

U.S. Dollar coupon: all the products with price variations tied to changes in the U.S. Dollar and interest rates in U.S. Dollars.

Additionally, the results do not necessarily translate into accounting results, because the analysis has the sole objective of disclosing the risk exposure and the respective protective actions considering the fair value of financial instruments, decoupled from any accounting practices adopted by the institution.

Banrisul considers that the risk of having a debt in CDI by way of swaps would be the rise in the CDI rate and this would be offset by the increase in revenues from its investments linked to the CDI rate.

Liquidity Risk

The definition of Liquidity Risk is the possibility of incurring losses due to the lack of sufficient liquid funds to meet payment obligations in a defined timeframe, and also of being unable to negotiate at market prices certain positions due to their high amounts in relation to the volume usually transacted or by reason of any interruption of the market itself.

Banrisul establishes operating limits for liquidity risk consistent with the Banrisul's business strategies for financial instruments and other exposures whose achievement of grandness parameters are regularly reviewed by committees and submitted to the Board in order to ensure its effectively operability by managers.

The Corporate Risks Management Unit is in charge of Banrisul's Consolidated Liquidity Risk Management, being responsible for executing and updating annually the policy and strategies for managing liquidity risk of Banrisul.

Liquidity management is centralized at the Treasury Department and is responsible to maintain a satisfactory level of cash to meet the financial needs in the short-, medium- and long-term, both in normal scenario and in a crisis scenario, taking the necessary corrective action, when necessary.

Throughout the control process, mismatches arising from the use of short-term liabilities to ballast long-term assets are monitored, in order to avoid liquidity shortfalls and ensure that the Bank's reserves are sufficient to meet daily cyclical and non-cyclical cash needs, as well as the long-term needs. The Bank seeks to maintain a proper level of highly funding market assets, along with access to other liquidity sources, and seeks to ensure an appropriate mix of funding operations.

Pursuant to its Liquidity Contingency, Banrisul aims to identify beforehand and minimize potential crises and their effects on business continuity, the parameters used for the identification of crisis events consist of a range of responsibilities and procedures to be followed to ensure the stability of the required level of liquidity.

Periodically, reports are sent to Committees, Commissions, Executive Board and Board of Directors, containing information for management of liquidity risk, once a year or more frequently when needed, the Liquidity Risk Management Policy is presented to the Board of Directors, containing the guidelines for risk management, which includes budget, financial planning, appetite for risks and optimization of available resources.

Operational Risk

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

The methodology of Operational Risk management requires the conduction of analysis for the identification, measurement, assessment, monitoring, reporting, controlling and reduction of operational risks to which

Banrisul is exposed. Through key risk indicators and the Internal Operational Risk Data Base, it is possible to monitor the evolution of losses and exposure to risk and propose improvement actions.

The results of the analysis and the records of the Internal Database of Operational Risk are reported to the deliberative committees, according to the governance structure defined in corporate risk policies, including the Board of Executive Officers, to the Risk Committee and the Board of Directors.

Social, Environmental and Climate Risk

Social risk is defined as the possibility of losses for the institution caused by events associated with the violation of fundamental rights and guarantees or acts harmful to the common interest.

Environmental risk is defined as the possibility of losses for the institution caused by events associated with environmental degradation, including the excessive use of natural resources.

Climate risk is defined, in its transition risk and physical risk components, as:

I - climate transition risk: possibility of losses for the institution caused by events associated with the transition process to a low carbon economy, in which the emission of greenhouse gases is reduced or offset and the natural mechanisms for capturing these gases are preserved; and

II - physical climate risk: possibility of losses for the institution caused by events associated with frequent and severe weather or long-term environmental changes, which may be related to changes in weather patterns.

The management of social, environmental and climate risk encompasses the Bank's own products, services, activities and processes and activities performed by its counterparties, controlled entities and relevant third-party suppliers and service providers.

The results of the analyzes are reported to the deliberative committees, following the governance structure defined in the corporate risk policies, including the Executive Board, the Risk Committee and the Board of Directors.

Capital Management

Capital management is a continuous process of monitoring, controlling, evaluating and planning goals and the need for capital, considering the risks to which the institution is subject, as well as its strategic objectives.

The adoption of best market practices and the maximization of investor profitability is carried out based on the best possible combination of investments in assets and the use of regulatory capital. The systematic improvement of risk policies, systems of internal controls and safety standards, integrated with the strategic and marketing objectives of the Institution are continuous processes in this scope.

Banrisul's capital management structure is the responsibility of the Board of Directors, which must review it annually and direct the alignment of the corporate strategy with the institution's risk appetite. The purpose of this management structure is to ensure that the risks to which the institution is subject are understood, managed and communicated, when necessary, so that the institution's capital is managed in the best possible way.

The risks relevant to Banrisul are divided between the risks subject to the capital requirement calculations, or pillar 1 risks, and the other risks considered relevant.

Pillar 1 Risks are those whose determination needs are determined by the Central Bank in order to strengthen the institutions' capital structure. These risks are credit risk, market risk and operational risk. The minimum capital requirement for these risks seeks to provide financial institutions with strength, Banrisul adopts the Standardized model for calculating the installments that make up the total Risk-Weighted Assets - RWA, which provides for the calculation methodology for regulatory capital requirements for Credit, Market and Operational risks, defined by the national regulatory agency.

Each of the aforementioned risks is calculated and managed in accordance with its respective Structure and its consolidation is part of the Capital Management Structure. The RWA is the basis for determining the minimum limits for Principal Capital - CP, Tier 1 Capital - CN1 and Reference Equity - PR, which have their percentages defined in a schedule published by Central Bank.

In addition to the risks that are determined in Pillar 1, CMN Resolution No, 4,557/17 determines that the management structure must identify, measure, evaluate, monitor, report, control and mitigate liquidity, IRRBB, social and environmental risks and other relevant risks considered by the Institution.

The Leverage Ratio - RA is another indicator required by the regulator, as it aims to guide the leverage of the banking sector, improving the ability of financial institutions to absorb shocks from the financial system itself or from other sectors of the economy, resulting in an environment of stability financial. This indicator is the result of the division of Level I of the PR by the Total Exposure, calculated according to the current regulation.

CMN Resolution No. 4,615/17 determines that institutions in Segment S1 and Segment S2 must permanently comply with a minimum requirement of 3% for the Leverage Ratio. In this case, the higher the index, the better the institution's conditions in terms of leverage. The Leverage Ratio calculated for Banrisul as of September 30, 2021 was 6.59%.

Banrisul assesses and monitors its sufficiency and need for capital in order to keep its volume of capital compatible with the risks incurred by the Prudential Conglomerate, In this sense, on the amount calculated for the total RWA, the Minimum Required Capitals are calculated, and compared with the CP, CN1 and PR values, projected and realized, also considering the additional capital, calculated for the same period, Comparing the required capital ratios with those calculated for Banrisul, the margins are calculated for the three capital levels, and also in relation to the IRRBB and the Additional Principal Capital, After this calculation, the capital adequacy assessment is carried out for each level:

a) Margin on the Required Reference Equity;
b) Margin on Required Level I Reference Equity;
c) Margin on Required Principal Capital;
d) Margin on PR considering IRRBB and ACP; and
e) Margin on Principal Capital after Pillar I considering ACP

If the assessment of the capital requirement calculated by the financial institution points to a value above the minimum requirements for PR, Level I and Principal Capital, as dealt with in Resolution No. 4,193/13 of the CMN, the institution must maintain capital compatible with the results of its internal evaluations.

The capital requirements imposed by the current regulations aim to maintain the soundness of financial institutions and the national financial system. Banrisul seeks to organize the elements required by regulation in a way that seeks to optimize its management. Among the components of the Institution's Capital Management, the following can be highlighted.

The Institutional Capital Management Structure and Policy are the organizing pillars of capital management. The structure determines its main components and its general responsibilities and the policy organizes and delimits the responsibilities of each of the parties involved. Respecting the existing regulations, both the structure and the policy are reviewed annually, and a summary of the first is published on Banrisul's Investor Relations website.

The Risk Appetite Statement (RAS), introduced by CMN Resolution No. 4,557/17, defines the levels of risk appetite for Banrisul and the Prudential Conglomerate. The institution's risk appetite is the maximum level of risk that it is willing to accept, within its productive capacity, to achieve the strategic objectives present in its business plan. The Institution's risk-taking capacity is based on the levels of its available resources, such as capital, liquidity, assets and liabilities, information systems and the management capacity of its administrators. The main function of RAS is based on supporting the formulation of business and risk management objectives and strategies and on the identification and strategic direction regarding the risks acceptable to the Institution in relation to the objectives defined for its Capital.

The Simplified Internal Capital Adequacy Assessment Process - $ICAAP_{SIMP}$ was also introduced by CMN Resolution No. 4,557/17, for institutions in the S2 segment. This process comprises the identification, management and measurement of risks, including the measurement of the capital need to face losses in a severe crisis scenario. For this purpose, projections are made for a three-year horizon, considering the definitions provided in the corporate strategy, as well as in the Institution's Risk Appetite Statement. The $ICAAP_{SIMP}$ process, in addition to considering the Capital Plan and all the elements evaluated therein (as described below) also considers the results of the stress test program.

The Capital Plan, prepared in accordance with CMN Resolution No. 4,557/17, covers the companies of the Prudential Conglomerate and considers the possible impacts of the Banrisul Group companies that are controlled by members of the conglomerate. The Plan is designed for a three-year horizon, foresees goals and projections and describes the main sources of capital, in addition to being aligned with the Institution's strategic planning. The Capital Plan is based on the strategies defined by the Board of Directors, considering the economic and business environment, the values of assets and liabilities, off-balance sheet operations, revenues and expenses, growth and market share goals and, especially the RAS definitions.

The Stress Testing Program - PTE, defined based on CMN Resolution No. 4,557/17, is a coordinated set of processes and routines, with its own methodologies, documentation and governance, and its main objective is to identify potential vulnerabilities of the institution. The stress test itself is an exercise in assessing the potential impacts of adverse events and circumstances on the institution or on a specific portfolio. Stress tests provide an indication of the appropriate level of capital needed to withstand deteriorating economic conditions. Within the scope of the Capital Management Structure, it is a tool that complements other risk management approaches and measures, providing inputs, at least, for Strategic Planning, RAS, $ICAAP_{SIMP}$ and the Capital Plan.

The monitoring and reporting of Capital requirements are carried out through Management Reports that contain both quantitative and qualitative references, for a given period, allowing for evaluation and the performance of actions for correction when detecting deviations. These reports are prepared to report the elements of Capital Management and include information regarding risk management, the calculation of the amount of RWA and PR, the adequacy analysis and the monitoring of the Capital Plan and RAS projections. Monitoring also includes the minimum limits required by the regulator, the minimum limits defined for Banrisul and also the limits for the maintenance of instruments eligible for capital.

Other timely reports may be necessary or demanded by the members of the capital structure, which may deal with any deficiencies identified in the management structure itself, or in its components, and actions to correct them; the adequacy of the PR, Level I and Principal Capital levels to the risks incurred by the Institution and; other pertinent matters. All reports are sent to the governance bodies defined in the Institutional Capital Management Structure for consideration.

Considering the reported period, Banrisul met all the capital requirements provided for in the current regulations.

Basel Ratio

As set forth by the CMN Resolution No. 4280/13, the calculation of Regulatory Capital and Assets Weighted by Risk that make up the DLO Operating Limits Statement, is based on the Prudential Conglomerate and includes Banco do Estado do Rio Grande do Sul S.A., Banrisul S.A. Administradora de Consórcios, Banrisul S.A. Corretora de Valores Mobiliários e Câmbio and Banrisul Cartões S.A.).

The possible impacts arising from the risks associated with the other companies controlled by members of the Conglomerate are also considered, as well as the participation in investment funds in which the entities of this conglomerate, in any form, assume or retain substantially risks and benefits, as provided current regulations, since they are part of the scope of consolidation of the Prudential Conglomerate.

The following table summarizes the composition of Reference Equity, Risk Weighted Assets (RWA) and the Basel Index of the Prudential Conglomerate:

Conglomerate Prudential	09/30/2021	12/31/2020
Reference Equity	**6,831,201**	**6,821,228**
Tier I	**6,831,201**	**6,465,913**
Core Capital	**6,831,201**	**6,465,913**
Equity	5,205,891	5,205,891
Capital and Earnings Reserve	3,748,120	3,416,218
Creditor Result Accounts	4,090,496	-
Deduction from Core Capital - Except for prudential adjustments	(4,295,359)	(276,190)
Prudential Adjustments (Resolution No,4192/13)	(1,917,947)	(1,880,006)
Tier II	**-**	**355,315**
Tier II Eligible Instruments (Resolution No,4192/13)	-	355,315
RWA - Risk Weighted Assets	**47,250,132**	**43,134,571**
RWA_{CPAD} (Credit Risk)	33,808,422	32,410,415
RWA_{MPAD} (Market Risk)	3,721,416	697,701
RWA_{JUR1} (Interest Rate Risk)	4,140	4,207
RWA_{JUR3} (Interest Rate Risk)	721	962
RWA_{ACS} (Equity Risk)	27,852	13,956
RWA_{CAM} (Exchange Risk)	3,688,703	678,576
RWA_{OPAD} (Operational Risk)	9,720,294	10,026,455
Banking Portfolio (RBAN)	307,813	332,106
Reference Equity Margin - with RBAN	1,975,563	2,499,174
Capital Ratio		
Basel Ratio	14.46%	15.81%
Tier I Ratio	14.46%	14.99%
Core Capital Ratio	14.46%	14.99%
Permanent Assets Ratio	11.41%	9.73%
Leverage Ratio	6.59%	6.88%

On March 16, 2020, BACEN published CMN Resolution No, 4783/20, altering Regulatory Capital requirements, The Resolution reduces the percentages that RWA is subject for the purposes of calculating the required amount of Principal Capital Additional - $ACP_{Conservation}$ for the next 2 years, commencing on April 1, 2020. Banrisul is subject to this surcharge, only. Thus, the percentages applied in the next periods can be seen in the table below:

Requirement	Up to 09/30/2021	Up to 03/31/2022	From 04/01/2022
Main Capital	4.500%	4.500%	4.500%
Level I	6.000%	6.000%	6.000%
PR	8.000%	8.000%	8.000%
$ACP_{Conservation}$ (1)	**1.625%**	**2.000%**	**2.500%**
$ACP_{Contracyclic}$ (2) (up to)	2.500%	2.500%	2.500%
$ACPS_{Systemic}$ (up to)	2.000%	2.000%	2.000%
Total ACT (up to)	**6.125%**	**6.500%**	**7.000%**
Factor F	8.000%	8.000%	8.000%

(1) Percentage changed in accordance with CMN Resolution No. 4783/20.

(2) According to CMN Resolution No, 4,193 / 13, these additions are limited to these maximum percentages (%) in relation to RWATOTAL, In the event of an increase, the percentage must be disclosed by BACEN with at least 12 months in advance.

The Basel Ratio (BR) represents the ratio between Reference Equity and Risk Weighted Assets. Under current regulations, the Basel Ratio demonstrates the company's solvency. For September 2021, the minimum required capital limits are 8.00% for Basel Ratio (Reference Equity), 6.00% for Tier I Ratio and 4.50% for the Core Capital Index. The additional required capital is 1.625%, totaling 9.625% for Basel Ratio, 7.625% for Tier I and 6.125% for Core Capital.

The Reference Equity reached R$6,831,201 in September 2021, increasing R$9,973 from December 2020.

BACEN Resolution No. 3876/18 sets forth that the Prudential Conglomerate determines and discloses the IRRBB (Interest Rate Risk of the Banking Book) in substitution of the R_{BAN}, commencing on January 2019. The methodology for measuring the need for Reference Equity in relation to the interest rate risks to which the Bank's portfolio is exposed has changed, no longer being calculated by Value at Risk (VaR) but by using the ΔEVE (Variation of Economic Value of Equity) and ΔNII (Variation of Net Interest Income: variation in the result of financial intermediation).

Accordingly, IRRBB reached R$307,813 as of September 2021, decreasing R$24,293 in relation to the capital allocation of R$332,106 as of December 2020.

To calculate the Reference Equity using R_{BAN}/IRRBB, the following is considered: total of Reference Equity, RWA, Factor F (8.00% from January 2019), interest rate risk of the bank, and the additional core capital (minimum of 1.625% from April 2021).

On September 30, 2021, the Basel Ratio of the Prudential Conglomerate was 14.46%, higher than the minimum required by BACEN. Tier 1 ratio and Core Capital were the same, due to the exclusion of Tier II subordinated debt from the PR.

Banrisul manages and monitors the requirements and capital margins in order to meet the minimum requirements of the CMN. Thus, the Banrisul Group Prudential Conglomerate has fulfilled all the minimum requirements to which it is subject.

NOTE 29 - TRANSACTIONS WITH RELATED PARTIES

(a) Transactions among related parties are disclosed in compliance with CVM Resolution No. 642/10 and CMN Resolution No. 4636/18.

Account balances referring to transactions among consolidated Banrisul companies are eliminated in the consolidated financial statements and take into consideration the absence of risk. As to the transactions carried out with the State Government and its fully or partially controlled entities. Banrisul has opted for the partial exemption instructed by Resolution No. 4636/18 of CMN. In this case, only the most significant transactions are disclosed.

With related parties, Banrisul operates banking transactions such as current account deposits (not remunerated), remunerated deposits, open market funding, loans and the provision of services. These operations are carried out at amounts, terms and average rates of usual market practices during the period, and under reciprocal conditions.

The unconsolidated related parties are as follows:

(i) Rio Grande do Sul State - in June 17, 2016, Banrisul signed with the State Government an agreement for the rights to service the payroll of state employees. Such agreement aims at centralizing at Banrisul the processing of 100% (one hundred percent) of the payroll of the State, which will be processed and deposited at checking accounts owned by the state employees, civil and military alike, or their beneficiaries, for the deposit of their salaries as well as credit of benefits and earnings payable to retirees and pensioners of the State's own pension plan, while preserving any portability rights to the state's employees. The contract is valid for a period of ten years, and the agreed price of R$1,250,638 was paid on June 20, 2016. The agreement also establishes that Banrisul will not be entitled to receiving any payment from the State, such as banking fees, for example, in relation to banking services and similar provided;
The contract provides for a price adjustment at the end of the 61st (sixty-first) month of validity, as a result of the variation in the SELIC rate and inflation projections. As a result, a price adjustment was calculated by Banrisul's technical area and validated by an independent external advisor. The value of the calculated price adjustment, as defined in the Agreement, was R$48,781, which amount will be deferred for the remainder of the term of the agreement. This amount was paid to the State of RS on July 23, 2021, after the completion of the formalization of the amendment to the Agreement;
(ii) Companhia Estadual de Energia Elétrica (CEEE), Companhia Riograndense de Saneamento (CORSAN), Companhia de Gás do Rio Grande do Sul (SULGÁS), Centrais de Abastecimento do Rio Grande do Sul S,A, (CEASA), Companhia Estadual de Silos e Armazéns (CESA), Companhia Rio-grandense de Mineração (CRM), Companhia de Processamentos de Dados do Estado do Rio Grande do sul (PROCERGS) and BADESUL Desenvolvimento S,A, - Agência de Fomento/RS - companies controlled by the Government of the State of Rio Grande do Sul;
(iii) Affiliated (i) Bem Promotora de Vendas e Serviços S.A., engaged in payroll loan origination, (ii) Banrisul Icatu Participações S.A. (BIPAR), holding company owning 100% of Rio Grande Seguros e Previdência S.A., a life and pension insurance company, and Rio Grande Capitalização; and (iii) VG8JV Tecnologia S.A. - VG8JV, company that ended its activity on 04/22/2021, offering integrated payment solutions to shopping centers located in its operating area throughout the national territory;
(iv) Fundação Banrisul de Seguridade Social (FBSS), closed supplementary pension entity that manages the pension plans sponsored by Banrisul and/or its subsidiaries;

(v) Caixa de Assistência dos Empregados do Banco do Estado do Rio Grande do Sul (Cabergs) is a non-profit assistance association, regulated by private law; and
(vi) Investment Funds and Managed Portfolios, managed by Banrisul.

Main related party transactions are as follows:

				Parent Company
	Assets (Liabilities)		Income (Expense)	
	09/30/2021	12/31/2020	01/01 to 09/30/2021	01/01 to 09/30/2020
State of Rio Grande do Sul Government	**(4,559,517)**	**(1,499,936)**	**(51,815)**	**(13,422)**
Other Credits	4,003	4,098	-	-
Demand Deposits	(440,255)	(770,967)	-	-
Repurchase Agreements (Repos) (1)	(4,110,047)	(721,288)	(48,777)	(10,450)
Other Payables	(13,218)	(11,779)	(3,038)	(2,972)
Subsidiaries and Investment Fund	**(1,902,103)**	**(1,633,985)**	**58,062**	**57,389**
Other Credits	28,905	88,930	87,706	79,219
Demand Deposits	(6,128)	(11,464)	-	-
Time Deposits	(753,226)	(357,486)	(11,739)	(5,618)
Repurchase Agreements (Repos)	(92,818)	(210,947)	(1,187)	(876)
Funds from Acceptance and Issuance of Securities	(293,864)	(287,220)	(7,925)	(6,803)
Other Payables (2)	(784,972)	(855,798)	(8,793)	(8,533)
Banrisul Foundation	**(1,262)**	**(1,224)**	**(19,851)**	**(17,104)**
Other Payables	(1,262)	(1,224)	(19,851)	(17,104)
Total	**(6,462,882)**	**(3,135,145)**	**(13,604)**	**26,863**

(1) These funds bear interest at 100% of the Selic rate.
(2) These mainly refer to receivables related to Banricompras and Visa and Mastercard cards issued by Banrisul.

				Consolidated
	Assets (Liabilities)		Income (Expense)	
	09/30/2021	12/31/2020	01/01 to 09/30/2021	01/01 to 09/30/2020
State of Rio Grande do Sul Government	**(4,559,517)**	**(1,499,667)**	**(6,797)**	**(13,270)**
Cash	-	-	-	125
Other Credits	4,003	4,367	8	27
Demand Deposits	(440,255)	(770,967)	-	-
Repurchase Agreements (Repos) (1)	(4,110,047)	(721,288)	(4,998)	(10,450)
Other Payables	(13,218)	(11,779)	(1,807)	(2,972)
Banrisul Foundation	**(1,262)**	**(1,224)**	**(11,841)**	**(17,104)**
Other Payables	(1,262)	(1,224)	(11,841)	(17,104)
Total	**(4,560,779)**	**(1,500,891)**	**(18,638)**	**(30,374)**

(1) These funds bear interest at 100% of the Selic rate,

(b) Management Compensation

Annually, the General Shareholders' Meeting determines the total annual compensation of the members of Management, comprising the Executive Board, the Board of Directors, the Supervisory Board, Audit Committee, Compensation Committee and Risk Committee, as stated in the Bank's bylaws.

	01/01 to 09/30/2021	01/01 to 09/30/2020
Short Term Benefits	**15,553**	**14,449**
Salaries	11,920	11,175
Social Security	3,633	3,274
Post-Employment Benefits	**364**	**390**
Supplementary Pension Plans (1)	364	390
Total	**15,917**	**14,839**

(1) Banrisul pays for complementary pension plans to managers who belong to the staff.

Banrisul does not offer its key management personnel any long-term, termination and stock-based compensation benefits.

Banrisul has a D&O liability insurance policy for its officers and members of the Boards, and paid insurance premium in the amount of R$2,000.

(c) Shareholding

As of September 30, 2021, members of the Executive Board, the Board of Directors, the Supervisory Board, the Audit Committee, the Compensation Committee and the Risk Committee jointly hold 787 Banrisul's shares, as presented in Note 21(a).

NOTE 30 - OTHER INFORMATION

a) Fair Value of Financial Assets and Liabilities

(i) Financial Instruments Measured at Fair Value - when determining and disclosing the fair value of financial instruments, Banrisul uses the following hierarchy:

Level 1 - prices quoted in active markets for the same instrument without modification;
Level 2 - prices quoted in active markets for similar instruments or valuation techniques, for which all significant inputs are based on observable market data; and
Level 3 - valuation techniques, for which any significant input is not based on observable market data.

Measurement at fair value for the period ended September 30, 2021:

	Parent Company			Consolidated		
	Level 1	Level 2	Total	Level 1	Level 2	Total
Financial Assets						
Trading Securities	**8,131,753**	**4,878**	**8,136,631**	**8,331,109**	**16,518**	**8,347,627**
Financial Treasury Letter – LFT	8,117,827	-	8,117,827	8,126,024	-	8,126,024
Shares of Publicly-Held Companies	13,926	-	13,926	13,926	-	13,926
Investment Fund Shares	-	4,878	4,878	191,159	16,518	207,677
Available-for-Sale Securities	**-**	**4,081**	**4,081**	**2,256**	**4,095**	**6,351**
Investment Fund Shares	-	4,081	4,081	2,256	4,081	6,337
Privatization Certificates	-	-	-	-	14	14
Derivatives	**-**	**819,882**	**819,882**	**-**	**819,882**	**819,882**
Swaps	-	819,882	819,882	-	819,882	819,882
Total Assets at Fair Value	**8,131,753**	**828,841**	**8,960,594**	**8,333,365**	**840,495**	**9,173,860**
Financial Liabilities						
Derivative Financial Instruments	**-**	**96,848**	**96,848**	**-**	**96,848**	**96,848**
Swaps	-	96,848	96,848	-	96,848	96,848
Subordinated Debt	-	2,951,678	2,951,678	-	2,951,678	2,951,678
Loan Obligations - Subordinated Debt Issue	-	1,639,413	1,639,413	-	1,639,413	1,639,413
Total Liabilities at Fair Value	**-**	**4,687,939**	**4,687,939**	**-**	**4,687,939**	**4,687,939**

Measurement at fair value for the period ended December 31, 2020:

	Parent Company			Consolidated		
	Level 1	Level 2	Total	Level 1	Level 2	Total
Financial Assets						
Trading Securities	**6,569,102**	**3,426**	**6,572,528**	**6,640,534**	**14,765**	**6,655,299**
Financial Treasury Letter – LFT	6,562,124	-	6,562,124	6,570,116	-	6,570,116
Shares of Publicly-Held Companies	6,978	-	6,978	6,978	-	6,978
Investment Fund Shares	-	3,426	3,426	63,440	14,765	78,205
Available-for-Sale Securities	**-**	**176**	**176**	**2,271**	**188**	**2,459**
Investment Fund Shares	-	176	176	2,271	176	2,447
Privatization Certificates	-	-	-	-	12	12
Derivatives	**-**	**844,599**	**844,599**	**-**	**844,599**	**844,599**
Swaps	-	844,599	844,599	-	844,599	844,599
Total Assets at Fair Value	**6,569,102**	**848,201**	**7,417,303**	**6,642,805**	**859,552**	**7,502,357**
Financial Liabilities						
Subordinated Debt	-	2,979,631	2,979,631	-	2,979,631	2,979,631
Total Liabilities at Fair Value	**-**	**2,979,631**	**2,979,631**	**-**	**2,979,631**	**2,979,631**

Banrisul does not have financial instruments classified in Level 3 of the fair value hierarchy.

(ii) Financial Instruments not Measured at Fair Value – the table below summarizes the book values and fair values of financial assets and liabilities that were presented at amortized cost:

	Parent Company		Consolidated	
	09/30/2021		09/30/2021	
	Book Value	Fair Value	Book Value	Fair Value
Financial Assets				
Interbank Lending Market Investments	8,799,128	8,806,909	8,800,744	8,808,526
Compulsory Deposits of Central Bank of Brazil	7,983,621	7,983,621	7,983,621	7,983,621
Securities [1]	27,780,876	27,686,797	27,791,153	27,696,990
Loans, Leases and Other Credit-like Receivables [2]	38,701,792	38,753,012	38,701,792	38,753,012
Other Financial Assets	3,195,389	3,195,389	5,158,866	5,158,865
Total	**86,460,806**	**86,425,728**	**88,436,176**	**88,401,014**
Financial Liabilities [3]				
Deposits [a]	64,166,172	64,138,234	63,409,002	63,381,063
Repurchase Agreements [b]	9,041,102	9,041,102	8,948,284	8,948,284
Funds from Acceptance and Issuance of Securities [c]	1,900,781	1,900,251	1,606,917	1,606,387
Borrowings [d]	720,503	720,503	720,503	720,503
Onlendings [d]	1,365,345	1,365,345	1,365,345	1,365,345
Other Financial Liabilities	6,026,582	6,026,582	7,209,683	7,209,683
Total	**83,220,485**	**83,192,017**	**83,259,734**	**83,231,265**

	Parent Company		Consolidated	
	12/31/2020		12/31/2020	
	Book Value	Fair Value	Book Value	Fair Value
Financial Assets				
Interbank Lending Market Investments	6,040,268	6,040,268	6,041,572	6,041,572
Compulsory Deposits of Central Bank of Brazil	7,750,609	7,750,609	7,750,609	7,750,609
Securities [1]	24,977,451	24,772,402	24,987,444	24,782,394
Loans, Leases and Other Credit-like Receivables [2]	37,605,804	38,378,831	37,605,804	38,378,831
Other Financial Assets	2,860,027	2,860,027	4,611,213	4,611,213
Total	**79,234,159**	**79,802,137**	**80,996,642**	**81,564,619**
Financial Liabilities [3]				
Deposits [a]	62,820,455	62,805,151	62,446,503	62,431,199
Repurchase Agreements [b]	4,573,384	4,573,384	4,362,437	4,362,437
Funds from Acceptance and Issuance of Securities [c]	2,727,755	2,728,236	2,440,535	2,441,016
Borrowings [d]	425,868	425,868	425,868	425,868
Onlendings [d]	1,473,113	1,473,113	1,473,113	1,473,113
Other Financial Liabilities	4,254,501	4,254,501	5,100,950	5,100,950
Total	**76,275,076**	**76,260,253**	**76,249,406**	**76,234,583**

(1) Securities - the fair value securities is based on market prices or quotes from brokers or operators. When this information is not available, the fair value is estimated using prices quoted in the market for securities with similar credit, maturity and interest characteristics.

(2) Loans, Leases and Other Credit-like Receivables - the estimated fair value of loans, leases and other credit-like receivables represents the discounted value of future cash flows expected to be received. The expected cash flows are discounted at current market rates plus the counterparty risk rate to determine their fair value.

(3) Financial Liabilities - the estimated fair value of deposits with no specific maturity, which includes deposits without interest, is the payable amount upon demand. The estimated fair value of deposits with fixed and floating rates and other unlisted loans in the active market is based on undiscounted cash flows using interest rates for new debt with similar terms plus the risk rate for the bank.

(a) Time and Interbank Deposits: the fair value was calculated by discounting the difference between future cash flows, using discount rates equivalent to the rates practiced in contracting similar operations on the last business day.

(b) Repurchase Agreements: for operations with fixed rates, the fair value was calculated by the discount on estimated cash flows, adopting discount rates equivalent to the rates practiced in contracting similar operations on the last business day.

(c) Funds from Acceptance and Issuance of Securities: the fair value of flating rate Financial Bills is calculated by discounting future cash flows using a discount rate equivalent to the weighted average rate practiced in the most recent issue of securities with similar characteristics by Banrisul.

(d) Borrowings and Onlendings: such operations are exclusive to the Bank, with no similar ones in the market, Due to its specific characteristics, exclusive rates for each amount and the absence of an active market and similar instrument, the fair value of these operations was considered equivalent to the book value.

b) Non-recurring Result

Banrisul considers a non-recurring result one which is not related or is incidentally related to the institution's typical activities and is not expected to occur frequently in future years.

We present below the events considered non-recurring for the indicated period. In the first nine months of 2020 there were no events treated as non-recurring.

	09/30/2021
Adjusted Net Income	732,318

Adjustments	(31,555)
Provision for Tax Contingencies [(1)]	(76,036)
Tax Effect [(2)]	34,216
Tax Credit - CSLL Law No 14,183/21 [(3)]	10,265
Net Income	**700,763**

(1) Provision arising from the review of parameters and progress of the process related to income tax and social contribution on the deduction of expenses arising from the settlement of the actuarial deficit at the Banrisul Social Security Foundation, questioned by the Federal Revenue Service for the period 1998 to 2005 (Note 19b).

(2) It refers to the tax effect on Provisions for Tax Contingencies.

(3) It refers to the update of the installments to be realized of deferred tax credits and debts, due to the enactment of Law No. 14,183/21, which increases from 20% to 25% the CSLL rate for the financial sector, in the period between 07/01/2021 and 12/31/2021.

c) Impact of the application of international accounting standards

During the IFRS convergence process, some standards and their interpretations were issued by the Brazilian FASB (CPC), which are applicable to financial institutions only when approved by the National Monetary Committee (CMN). Currently, financial institutions and other institutions regulated by the Central Bank have been required to adopt the following pronouncements in prior periods:

Basic Concept Statement (R1);
Impairment of Assets (CPC 01 (R1));
Statement of Cash Flows (CPC 03 (R2));
Related Party Disclosures (CPC 05 (R1));
Share-Based Payment (CPC 10 (R1));
Accounting Policies, Changes in Accounting Estimate and Errors (CPC 23);
Subsequent Events (CPC 24);
Provisions, Contingent Liabilities and Contingent Assets (CPC 25) and
Employee Benefits (CPC 33 (R1)),
Effects of Changes in Exchange Rates and Translation of financial statements (CPC 02 (R2));
Intangible Assets (CPC 04 (R1));
Permanent Assets (CPC 27);
Earnings per Share (CPC 41); and
Measurement of Fair Value (CPC 46).

Banrisul's Consolidated financial statements were prepared considering the requirements and guidelines of the National Monetary Council (CMN) that, as of December 31, 2010, requires the preparation of annual Consolidated financial statements in accordance with the international financial reporting standards (IFRS), as approved by the International Accounting Standards Board (IASB).

The financial statements for the year ended December 31, 2020, prepared in accordance with International Financial Reporting Standards (IFRS), were disclosed by Banrisul on March 15, 2021 on its website http://www.banrisul.com.br/ir, as well as on the website of the Brazilian Securities Exchange Commission (*Comissão de Valores Mobiliários* - CVM – www.cvm.gov.br).

d) Effects of the Covid-19 Pandemic on financial statements

The crisis scenario linked to the Covid-19 pandemic has maintained an environment of uncertainty, turbulence and challenges in the global financial market. The restrictions imposed by governments, social distancing measures above all, although effective to decrease the spread of the virus, have been harming all productive chains, affecting the economy and financial capacities of gubernatorial authorities, companies and individuals.

Although vaccines are already being used, and immunization is advancing by leaps and bounds, the state of alert continues in several regions of the world including Brazil due to new variants coronavirus' high contagion rates. Besides health consequences, since the beginning of 2020 the world has been critical to the most of economic sectors, with governments and regulators working on measures that could mitigate the outcome of the pandemic. Following the footprints of international entities, the National Monetary Committee and the Central Bank of Brazil have released measures encompassing liquidity, monetary, credit, foreign exchange and fiscal goals. These measures sought to minimize the coronavirus effects while addressing financial and, hence, economic stability. The most relevant measures in terms of Banrisul's risk and capital management are presented below:

- ✓ Additional Main Capital Conservation (CMN Resolution No. 4783, of March 16, 2020): in relation to Regulatory Capital requirements, the percentage to be applied to the Risk Weighted Asseets -RWA amount was reduced, for purposes of determining the value of the ACPCONSERVAÇÃO portion for2 years, with the objective of increasing the banks' available resources for granting credit;

- ✓ Customer Service at Branches (BACEN Circular No. 3991, of March 19, 2020): sets the opening hours for serving customers at the branches of the financial institutions while the situation of risk to public health resulting from Covid-19 continues;

- ✓ New Time Deposit with Special Collaterals (CMN Resolution No 4785, and 4030 of March 23, 2020, June 23, 2020 and June 23, 2020): allows funding to be obtained in the form of time deposits with special guarantee from the Deposit Guarantee Fund; and regulates the use of the 35% RWF to exposure to Time Deposit with Special Collaterals;

- ✓ Compulsory Deposit (BACEN Resolution No. 78 and Circulars No. 3997 and No. 4033 of October 02, 2020, April 06, 2020 and June 24, 2020): temporarily reduces to 17% from 25% the reserve requirement rate on time deposits, deduces requirements of compulsory deposits for loans granted under the scope of the Emergency Job Support Program, working capital lines and Time Deposit with Special Collaterals for institutions which don't belong to the same financial conglomerate;

- ✓ Requirement of Capital for Credit Risk - RWA_{CPAD} (BACEN Circulars No. 3998, No. 4026 and No. 4034 of April 09, 2020, June 10, 2020 and June 29, 2020): estabilishes procedures for mitigation or specific FPRs for the calculations of the capital requirement (RWA_{CPAD}) for credit operations that are not of retail exposure and that are contracted or restructured between March and December 2020, granted within the National Program of Support to Micro and Small Business (Pronampe) guidelines and guaranteed by the Investment Guarantee Fund - FGI or belonging to the portfolio contracted under the Emergency Credit Access Program – PEAC, These measures aim to foster credit operations by increasing capital availability for banks;

- ✓ Capital Regulation for Financial Institutions (CMN Resolution No. 4820 of May 29, 2020 and No. 4,885 of December 23, 2020) establishes temporary limitations over remuneration of own capital according requirements, increase of Management compensation, shares buy back and decrease of Equity, to mitigate the pandemic potential effects upon the financial industry;

- ✓ Credit for Payroll (Federal Law No. 14043, CMN Resolution No. 4846 and BACEN Resolution No. 17 of August 19, 2020, August 24, 2020 and September 17, 2020): regulates credit operations to finance payroll or the payment of labor expenses, as granted by banks under the guidelines of the Emergency Job Support Program to companies with annual gross revenues from R$360.0 thousand reais to R$50.0 million reais, with 85% of each operation funded by federal government resources and these loans will not be considered exposures for the purposes of RWA_{CPAD}.

In the international environment, even after the return of the GDP to the pre-pandemic level, the North American labor market remains depressed in this third quarter of 2021. The United States (USA) maintained the basic interest rate between 0% and 0.25%, with a signal that rate increases may occur sooner, next year. The American authority also indicated the beginning of the withdrawal of part of the stimuli provided during the pandemic, however, still without a date. The composite PMI (Purchasing Managers Index) index dropped from 55.4 in August to 54.5 in September, according to preliminary data, which reinforces the perception of a slowdown in the pace of activity in the country.

In the euro zone, the index that measures consumer confidence advanced from -5.3 in August to -4.0 in the preliminary reading for September, according to data from the European Commission. Market analysts had predicted a drop of -6.0. Also in the European bloc, the composite PMI dropped from 59 in August to 56.1 in September, according to preliminary data, but despite that, it remained above the 50 mark, indicating expansion of activity.

At the end of September the Bank of England kept its main interest rate unchanged at 0.1% and its asset purchase target at £895 billion. In line, China's central bank has supported its benchmark interest rate for loans. It is the seventeenth month in a row that the Chinese central bank has avoided cutting this rate. The recent deceleration in economic activity indicators has reinforced the importance of active central banks, in view of the reduction in these effects.

In the financial market, not even the Evergrande crisis or the prospect of a less stimulating monetary policy in the US were able to reduce investors' buying disposition, which caused the S&P 500 to recover at the end of September and end the quarter with a high accumulated of 0.4%.

In the domestic scenario, in addition to the negative impacts amid the economic recovery, the increase in the IOF until December caused discomfort in the market. COPOM unanimously decided to raise the SELIC by 1 percentage point, from 5.25% to 6.25% per year, being the fifth consecutive increase in interest rates, surpassing the level of August 2019.

With regard to the price level, the IPCA-15 rose 1.14% in September compared to August (0.89%), with gasoline and electricity being the main responsible for this increase. The September data was the highest value for the month since the beginning of the Real Plan, in 1994 (1.63%).

Consumer confidence fell in the face of inflationary pressures, energy crisis and tensions in the political field, according to FGV data. The consumer confidence index dropped 6.5 points in September, to 75.3 points. With regard to industrial activity, the use of installed capacity in the industry rose from 71% in July to 72% in August, according to the industrial survey by the National Confederation of Industry. Industrial employment continued on a growth trajectory.

The domestic market was enveloped by the foreign scenario and, even amidst political instability and doubts about the country's economic recovery, the Ibovespa rose 1.7% in the last week of September. Already the dollar advanced about 1.1% at the end of the same month and longer interest rates retreated, slightly, in the same period.

In this context, Banrisul still maintained for part of this third quarter of 2021 the service model adopted since the beginning of the pandemic, with reduced face-to-face service (by appointment/scheduled time), and with the constant improvement of its various service channels remote available. Also in July, the flow service model began to be resumed in the Branch Network.

The development and offering of numerous credit solutions to its customers due to the new economic needs, the measures taken by Bacen to minimize effects of Covid-19 on the national financial system and society, and also Government policies and measures to contain the consequences of the pandemic in Brazil, have been some of actions taken aiming at mitigating the consequences of Covid-19. Thus, it is expected that the Consolidated financial statements reflect the consequences of the pandemic, especially in the following items:

- ✓ Credit Operations: it is expected an increase in the demand for credit and a slow reduction in their credit quality. To companies, this may occur due to the recovery of economic activity in main sectors. As to individuals, increases in unemployment rates are expected to occur at levels lower than the current's, improving purchasing power for families;
- ✓ Allowance for Loan Losses: in a preventive way to monitor the risk, exposure and performance of customers belonging to the segments most affected by the pandemic generated by Covid-19, Banrisul downgraded the rating of some customers, raising the level of provisions and assessing future default levels;
- ✓ Deferred tax assets: these assets depend on future results for their realization, which may be affected due to the effects of the pandemic on the economy, with greater impact if it lasts for a long period of time;
- ✓ Intangible Assets: their recoverable value may be impacted in their core realization premises due to the repercussions of Covid-19 pandemic;

- ✓ Funding: it is believed that the search for security positively influences the Company's liquidity, generating an increase in fundraising from clients, In line with the other financial agents, Banrisul continues to present comfortable levels of liquidity. However, depending on the consequences of the economic crisis and its duration, this benefit may no longer be seen, impacting in an increase in funding costs;
- ✓ Civil and Labor Provisions: as to civil lawsuits, an increase may be seen for the revisiting of credit operations contracts and also in claims that involve difficulties in customer service.

In this pandemic period, observing the health precautions recommended by the World Health Organization and the social distancing measures proposed by governments, Banrisul has been ensuring the maintenance of operating and taken measures to help minimize the exposure of customers and employees to contagion, adapting all that was necessary, from credit policies to operating routines. The Company keeps shareholders and the market duly informed about all measures dealing with the present scenario.

In relation to credit policies, Banrisul, an economic and financial policy instrument within the State of Rio Grande do Sul, is committed to contributing to the continuity of regional economic activity and takes into consideration the risks arising from this role. In this sense, it has immediately made available products and services to mitigate the pandemic impacts, which include: extension of the maturities of outstanding loans to mitigate provisions and loss expectation; increase of the offer of pre-approved credit lines; an additional 10% increase to Banricompras and overdraft accounts limits; solutions to extend the maturity of credit lines and the use of insurance coverage in products offered to farmers; the increase of credit limits used for transactions and withdrawals in digital channels, as well as making available, exempted from charges and monthly fee payment, additional Vero POS equipment; development of a Quick Guide for the commercial approach to companies that did not operate with the Company or that operated in less relevant manner, assisting in the processing of credit requests and risk analysis; availability of credit lines to finance payroll for companies that pay employees via Banrisul; and adjusted leverage parameters for customers within the retail segment, to improve risk model.

All exposures to interest rate risk in trading and non-trading portfolios remain monitored, with the aim of monitoring and anticipating any impact of fluctuations in interests rates and their possible impacts over different time horizons,

In relation to operational routines, among the main measures taken by Banrisul in the pandemic period, the following stand out:

- ✓ Gradual return to face-to-face work, observing protocols for preventing contamination by covid-19 and with communication measures and immediate removal in cases of suspicion or confirmation of infection;
- ✓ Wide dissemination of self-service channels: via accessing services tutorials, encouraging the use of these channels and providing service through social networks; and
- ✓ Return of branch customer service: with respect to restrictions linked to coping with the pandemic, adoption of extra hygiene measures and availability of personal protective equipment to employees.
- ✓ Use of health advisory from the medical staff of Moinhos de Vento Hospital to assist in the definitions of protocols for prevention of Covid-19 and to provide telemedicine service to assist employees with corresponding symptoms, as well as for those employees who have tested positive for the virus; and
- ✓ Establishment of strict cleaning protocols for the environments where employees with suspected and/or confirmed cases of contamination were; and
- ✓ Use of information material on office ergonomics and on system maintenance and information security to help employees on remote work during this period.

One of the most important purposes of Banrisul’s capital and risk management is comply with operational limits set forth by regulatory authorities and by the Management of the Bank, In this scope, besides the Institution’s activities is being monitored in both national and international economic scenarios, as well as in connection to the constant evolution of the pandemic caused by Covid-19, Therefore, it is comprehensible that pandemic impacts will continue to affect the economy, with the reflexes of the crisis and the effectiveness of the mitigation measures being thoroughly assessed in a future moment, Therefore, it is essential to permanently monitor regulatory and market changes and the evolution of the crisis caused by the coronavirus, so that Banrisul can position itself and continue taking the necessary measures to face the crisis.

NOTE 31 - SUBSEQUENT EVENT

Subordinated Debt Issuance - On October 25, 2021, Banrisul received authorization from the Central Bank of Brazil for the Subordinated Notes issued in January 2021 with a 10-year term, in the amount of US$300 million and at a rate of 5.375% p. a., to make up Tier II Capital of the Company's Reference Equity.

The funds raised in this external issue will make up the Tier II Capital of the Company's Reference Equity as of the closing of October 2021.

Reports

REPORT ON REVIEW OF INDIVIDUAL AND CONSOLIDATED INTERIM FINANCIAL STATEMENTS

To the Board of Directors, Management and Shareholders of
Banco do Estado do Rio Grande do Sul S.A.

Introduction

We have reviewed the accompanying individual and consolidated balance sheet of Banco do Estado do Rio Grande do Sul S.A. ("Bank") as at September 30, 2021, and the related individual and consolidated statements of income, of comprehensive income, of changes in equity and of cash flows for the nine-month period then ended, and a summary of significant accounting policies and other explanatory information.

Management is responsible for the preparation and proper presentation of these individual and consolidated interim financial statements in accordance with accounting practices adopted in Brazil applicable to institutions authorized to operate by the Central Bank of Brazil (BACEN). Our responsibility is to express a conclusion on these individual and consolidated interim financial statements based on our review.

Scope of review

We conducted our review in accordance with Brazilian and International Standards on Review of Interim Financial Information (NBC TR 2410 - "Revisão de Informações Intermediárias Executada pelo Auditor da Entidade" and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim financial 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 standards on auditing and, consequently, does 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 on the individual and consolidated interim financial statements

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

Other matters

Statements of value added

The individual and consolidated interim financial statements referred to above include the individual and consolidated statements of value added (“DVA”) for the nine-month period ended September 30, 2021, prepared under the responsibility of the Bank’s Management, the presentation of which is made on a voluntary basis. These statements were subject to the review procedures performed together with the review of the individual and consolidated interim financial statements to reach a conclusion on whether they are reconciled with the individual and consolidated interim financial statements and accounting records, as applicable, and if their form and content are consistent with the criteria set out in technical pronouncement 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 value added are not fairly presented, in all material respects, in accordance with the criteria set out in technical pronouncement CPC 09 and consistently with the accompanying individual and consolidated interim financial statements taken as a whole.

Corresponding figures for the year ended December 31, 2020 and the nine-month period ended September 30, 2020

The corresponding figures relating to the individual and consolidated balance sheet as at December 31, 2020 were previously audited by another independent auditor, who issued a report dated February 9, 2021, without modification.

The corresponding figures relating to the interim individual and consolidated statements of income, of comprehensive income, of changes in equity, of cash flows and of value added for the nine-month period ended September 30, 2020 were previously reviewed by another independent auditor, who issued a report dated November 6, 2020, without modification.

Convenience translation into English

The accompanying individual and consolidated interim financial statements have been translated into English for the convenience of readers outside Brazil.

Porto Alegre, November 5, 2021

DELOITTE TOUCHE TOHMATSU
Auditores Independentes Ltda.

João Paulo Stellfeld Passos
Engagement Partner

BANCO DO ESTADO DO RIO GRANDE DO SUL S.A.

Executive Board

CLÁUDIO COUTINHO MENDES
Chief Executive Officer

IRANY DE OLIVEIRA SANT'ANNA JUNIOR
Deputy CEO

CLAÍSE MÜLLER RAUBER
FERNANDO POSTAL
JORGE FERNANDO KRUG SANTOS
MARCUS VINÍCIUS FEIJÓ STAFFEN
MARIVANIA GHISLENI FONTANA
OSVALDO LOBO PIRES
RAQUEL SANTOS CARNEIRO
Officers

Board of Directors

JORGE LUIS TONETTO
Chairman

CLÁUDIO COUTINHO MENDES
Vice-Chairman

ADRIANO CIVES SEABRA
EDUARDO CUNHA DA COSTA
EDUARDO RODRIGUES MACLUF
IRANY DE OLIVEIRA SANT'ANNA JUNIOR
JOÃO VERNER JUENEMANN
MÁRCIO GOMES PINTO GARCIA
MÁRCIO KAISER
RAFAEL ANDREAS WEBER
RAMIRO SILVEIRA SEVERO
Board Members

WERNER KÖHLER
Accountant CRCRS 38,534