



Recurring Net Income

R\$6.8 billion

+34.5% in 12 months (3Q21 x 3Q20)

+7.1% in the quarter (3Q21 x 2Q21)

Accrued ROAE

18.3%

+5.4 p.p. in 12 months

+0.1 p.p. in the quarter

12-month ER

45.4%

Improvement of

1.8 p.p. in 12 months

Income from Insurance, Pension Plans and Capitalization Bonds

R\$3.2 bi

+2.6% in 12 months

+104.1% in the quarter

Fee and Commission Income

R\$8.8 bi

+7.8% in 12 months

+4.1% in the quarter

Client Portion

R\$14.1 bi

+9.8% in 12 months

+4.3% in the quarter

Expanded ALL

R\$3.4 bi

-39.9% in 12 months

-3.7% in the quarter

9.0% of **spread growth** in the **3Q21**

Expanded loan portfolio

R\$773.3 bi

+16.4% in 12 months

+6.5% in the quarter

Loans authorized through digital channels

approximately **R\$30** bi

Individuals R\$15 bi

+58% in 12 months

approximately **80%** through the

app channel (mobile)

Analysis of the 3Q21 Income

We closed the quarter reaching the expressive recurring net income of R\$6.8 billion, the second largest of our historical series, registering significant evolutions in relation to all the comparative periods (2Q21, 3Q20 and 9M20). The key motivators of the income obtained were the strong recovery of the insurance, and the good performance with net interest income (client portion) and fee and commission income, allied to the lower ALL expenses, even with the significant growth of the loan portfolio. The indicators of accrued profitability (ROAE and ROAA) remained in constant evolution, reaching 18.3% and 1.6%, respectively, presenting an improvement in all the comparative periods.

The expanded loan portfolio had a growth of 16.4% in 12 months and 6.5% in the quarter, highlighting the strong acceleration of the Individuals portfolio that had an evolution of 24.7% in 12 months and 6.3% in the quarter, driven by the operations of real estate financing, credit card, and payroll-deductible loans. In the corporate portfolio, we highlight the operations of SMEs, which have evolved 27.8% in the year and 9.1% in the quarter.

The Basel Ratio Tier 1 ended the quarter at 13.7%.

In September 2021, the extension portfolio net of amortizations totaled R\$36.2 billion, showing a reduction of 35.4% since June 2020 and 12.3% in the last quarter. The balance of operations in grace period totaled R\$2.3 billion. Operations in arrears over 30 days reached R\$3.0 billion, which represents delinquency of 0.5%, an improvement of 0.1 p.p. compared to the previous quarter.

Despite the increase of the loan portfolio, and the maintenance of the coverage ratio over 90 days at levels above 300%, there was a strong decrease in the Expanded ALL, reflecting the quality of the processes for lending and the production mix practiced.

In September 2021, the total delinquency ratio above 90 days presented a slight increase in comparison to the previous quarter, remaining at the lowest levels of the historical series. In relation to 3Q19, the period before the pandemic, the ratio improved 1.0 p.p.

The net interest income reached R\$15.7 billion, with emphasis on the good performance of the client portion, which evolved more than 4% in the quarter, reaching a spread of 9.0%.

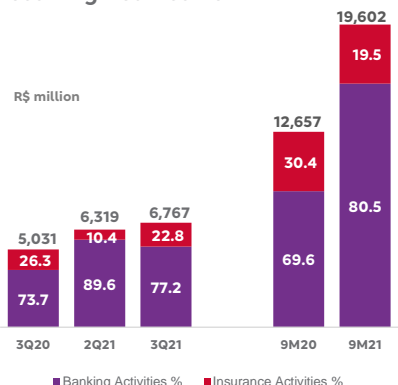
The resumption of the economic activity started in the 2Q21 and the growth of business in the 3Q21 boosted the performance of fee and commission income, which reached the mark of R\$8.8 billion, surpassing the periods that preceded the pandemic (3Q19). The highlights in this period are for the evolutions in revenues with cards, checking account, consortia and loan operations, which had a growth in all the comparative periods.

The operating expenses presented a reduction of 2.5% in the accumulated of nine months, evidencing the Management’s actions in the efficient management of costs, which contributed to an improvement of about 2 p.p. in the efficiency ratio accrued over 12 months (3Q21 x 3Q20). In relation to the previous quarter and the 3Q20, there was an impact of the collective bargaining agreement that occurred as of September 2021, whose adjustment rate was around 11%.

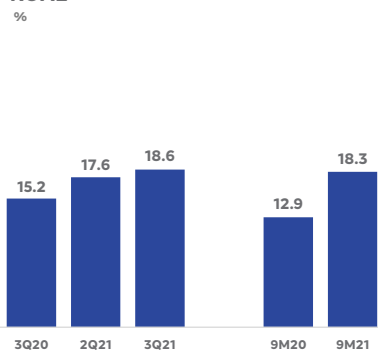
The 3Q21 was marked by the strong recovery of the income from insurance operations, which have evolved more than 100% in the quarter, motivated by the reduction of the frequency of the events related to Covid-19 along with the advancement of the financial income, reflecting the behavior of the economic-financial ratios.

This quarter we revised our Guidance. (Page 33).

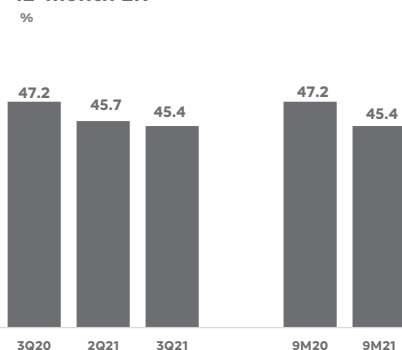
Recurring Net Income



ROAE



12-month ER



Main Information

Economic and Financial Analysis Report

	3Q21	2Q21	3Q20	9M21	9M20	Variation % (unless otherwise stated)		
						3Q21 x 2Q21	3Q21 x 3Q20	9M21 x 9M20
R\$ million (unless otherwise stated)								
Recurring Income Statement								
Recurring Net Income ⁽¹⁾	6,767	6,319	5,031	19,602	12,657	7.1	34.5	54.9
Book Net Income	6,648	5,974	4,194	18,775	11,082	11.3	58.5	69.4
Operating Income	10,591	9,519	7,342	29,879	18,443	11.3	44.3	62.0
Net Interest Income	15,702	15,738	15,288	47,018	46,471	(0.2)	2.7	1.2
Expanded ALL	(3,358)	(3,487)	(5,588)	(10,752)	(21,186)	(3.7)	(39.9)	(49.2)
Fee and Commission Income	8,756	8,412	8,121	25,235	24,030	4.1	7.8	5.0
Operating Expenses (Personnel, Administrative and Other Operating Income / (Expenses))	(11,882)	(10,990)	(11,724)	(34,075)	(34,940)	8.1	1.3	(2.5)
Income from Insurance, Pension Plans and Capitalization Bonds	3,213	1,574	3,131	7,924	9,840	104.1	2.6	(19.5)
Statement of Financial Position								
Total Assets	1,716,168	1,672,753	1,659,687	1,716,168	1,659,687	2.6	3.4	3.4
Loans - Expanded Loan Portfolio	773,323	726,453	664,414	773,323	664,414	6.5	16.4	16.4
- Individuals	303,479	285,620	243,404	303,479	243,404	6.3	24.7	24.7
- Companies	469,844	440,833	421,010	469,844	421,010	6.6	11.6	11.6
Shareholders' Equity	147,606	146,488	137,461	147,606	137,461	0.8	7.4	7.4
Assets under Management	2,627,596	2,593,201	2,474,764	2,627,596	2,474,764	1.3	6.2	6.2
Capital and Liquidity - %								
Total Ratio	15.2	16.0	15.1	15.2	15.1	(0.8) p.p.	0.1 p.p.	0.1 p.p.
Tier I Capital	13.7	14.1	12.9	13.7	12.9	(0.4) p.p.	0.8 p.p.	0.8 p.p.
Liquidity Coverage Ratio (LCR)	145.5	156.0	184.6	145.5	184.6	(10.5) p.p.	(39.1) p.p.	(39.1) p.p.
Net Stable Funding Ratio (NSFR)	115.2	116.1	120.9	115.2	120.9	(0.9) p.p.	(5.7) p.p.	(5.7) p.p.
Profitability and Efficiency %								
Annualized Return on Average Equity (ROAE) ⁽²⁾	18.6	17.6	15.2	18.3	12.9	1.0 p.p.	3.4 p.p.	5.4 p.p.
Annualized Return on Average Assets (ROAA)	1.6	1.5	1.2	1.6	1.1	0.1 p.p.	0.4 p.p.	0.5 p.p.
Efficiency Ratio (ER) ⁽³⁾	46.0	45.8	47.6	45.4	47.2	0.2 p.p.	(1.6) p.p.	(1.8) p.p.
Market Indicators								
Recurring Net Income per Share (accumulated 12 months) - R\$ ⁽⁴⁾	2.72	2.54	1.99	2.72	1.99	7.3	37.2	37.2
Market Capitalization ⁽⁵⁾	187,419	231,006	165,343	187,419	165,343	(18.9)	13.4	13.4
Dividends/Interest on Shareholders' Equity	448	3,340	1,195	5,541	3,159	(86.6)	(62.5)	75.4
Price/Earnings Ratio ⁽⁶⁾	7.1	9.4	8.6	7.1	8.6	(24.2)	(17.1)	(17.1)
Price to Book Ratio	1.3	1.6	1.2	1.3	1.2	(18.8)	8.3	8.3
Dividend Yield - % ^{(7) (8)}	5.5	2.4	8.9	5.5	8.9	3.1 p.p.	(3.4) p.p.	(3.4) p.p.
Portfolio Indicators - %								
Delinquency Ratio (over 90 days)	2.6	2.5	2.3	2.6	2.3	0.1 p.p.	0.3 p.p.	0.3 p.p.
Delinquency Ratio (over 60 days)	3.2	3.1	2.7	3.2	2.7	0.1 p.p.	0.5 p.p.	0.5 p.p.
NPL Creation - 90 days	0.9	0.8	0.1	0.9	0.1	0.1 p.p.	0.8 p.p.	0.8 p.p.
Coverage Ratio (> 90 days)	296.9	324.7	398.2	296.9	398.2	(27.8) p.p.	(101.3) p.p.	(101.3) p.p.
Coverage Ratio (> 60 days)	243.7	263.2	337.4	243.7	337.4	(19.5) p.p.	(93.7) p.p.	(93.7) p.p.

(1) According to the non-recurring events described on page 32 of this report; (2) It excludes the asset valuation adjustments recorded under the Shareholders' Equity; (3) For the 9M21/9M20, it considers the cumulative index in 12 months; (4) For comparison purposes, shares were adjusted in accordance with bonuses and stock splits occurred in the periods; (5) Number of shares (excluding treasury shares) multiplied by the closing price for common and preferred shares on the period's last trading day; (6) Recurring net income in 12 months; (7) Source: Economatica; and (8) Calculated according to the share with highest liquidity.