



2Q21 earnings review

Milton Maluhy Filho

Chief Executive Office (CEO)

Alexsandro Broedel

Chief Financial Officer (CFO)

Renato Lulia Jacob

Group Head of Investor Relations and
Marketing Intelligence

quarter highlights

2Q21 vs. 1Q21 change

credit
portfolio Brazil

R\$699.0 Bn
^ 4.6%



credit
card

^ 6.7%



payroll
loans

^ 5.5%



mortgage for
individuals

^ 12.8%

margin with
clients

R\$16.8 Bn
^ 3.9%

90 days NPL
individuals
Brazil

3.6%
v 0.3p.p.

commissions
and insurance

R\$11.3 Bn
^ 2.7%

efficiency
ratio Brazil

42.2%
v 1.0p.p.



digital clients
acquisition

+ 4.7 million
in 2Q21
+ 27% vs 1Q21



7.8 million
total clients in June 2021

+ than 2.6 million
new clients in 2Q21
90% non-account holders

recurring

managerial
results

R\$6.5 Bn

^ 2.3%

recurring

managerial
ROE

18.9%

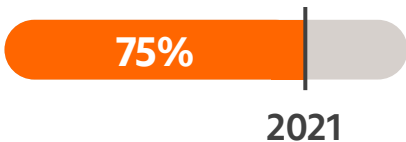
^ 0.4p.p.



Our future **now**.

our commitment
to completely change
customers' experience,
redefining the value
proposition of our
business

100% implemented by 2022



\$
relevant part
of value will be
captured in the
short and
medium term

ambition
**digital sales
by 2025**
4X+
sales
50%
revenues share

convenience **revamp of in-person services**
combination of commercial and operational teams
simplified journeys
branch network remodeling

relationships **+ 23%** accounts opened 2Q21 vs 2Q19 **54%** open digitally **2X+** credit for new accounts

businesses **phygital and omnichannel**
R\$ 9 bn volume¹ of business from O2O connections **58%** of the sale of new products to individuals were made through digital channels in 2Q21

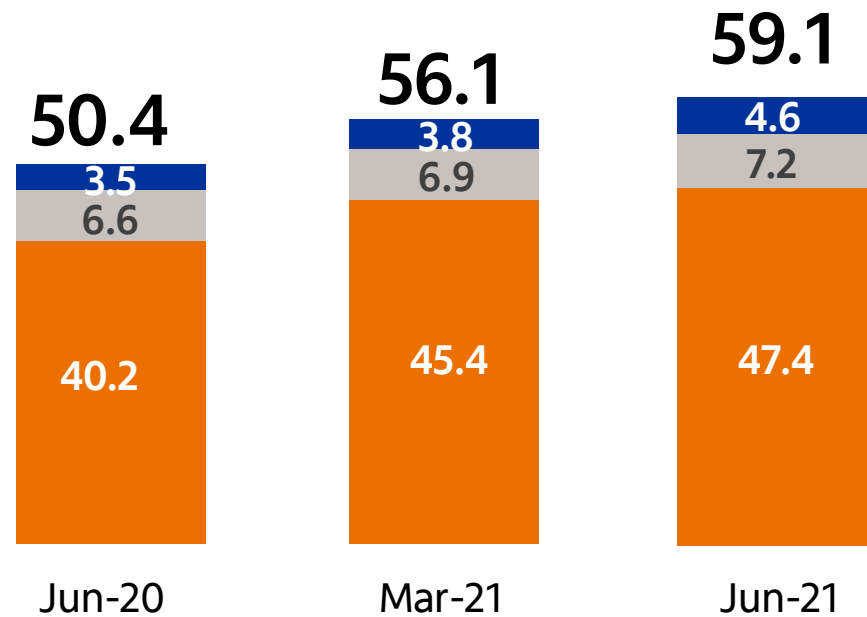
specialization **new investment advisory**
> 100² offices **> 1,500²** specialists dedicated app

(1) O2O - online-to-offline, these transactions in the 1H21 include credit for individuals (personal, and payroll loans), individual investments (treasury, savings, pension plan), individuals renegotiation, credit cards for individuals, individuals credit portability; (2) until 2022.

payroll loan expansion

portfolio

In R\$ billion



↑ 5.5%
vs. Mar-21

↑ 17.3%
vs. Jun-20

- public
- private
- INSS (pensioners)

we won the bidding process to cater payroll services for the employees of the state of Minas Gerais



618 thousand employees

20% concentrated in Belo Horizonte, besides 6.3 thousand suppliers

~ R\$8 bn payroll loans balance



R\$4.8 bn per month is the monthly payment to employees and suppliers



possibility of opening a 100% digital account opening or through new dedicated locations

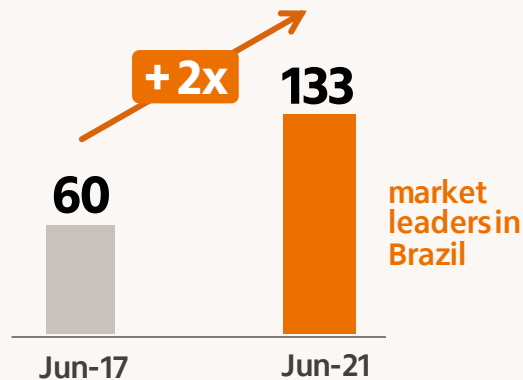
small and medium companies

SME operation has doubled in size in the last four years

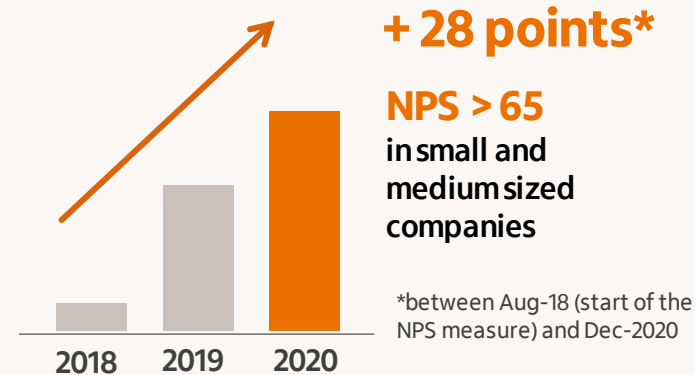


this happened due to a **deep transformation of the operation**

credit portfolio
R\$ billion



• D with a sustainable and customer-centric model that raised the level of satisfaction



and the transformation continues...

beyond banking

ecosystem of partnerships to meet all customer needs



first deliverable tool to support business management (ERP system) in partnership with **omie**

2025 ambition

+50% clients
+70% earnings

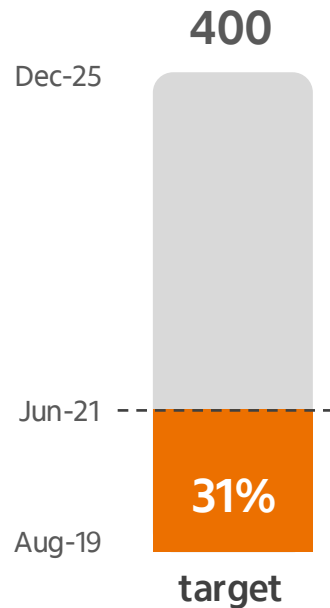
sustainable development agenda

We are committed to further strength our role as one of the main agents of economic and social transformation in Brazil.

our goal is to allocate R\$ 400 billion

to sustainable development by 2025

through business initiatives that promote a sustainable and increasingly green and inclusive economy



R\$122.6 billion already deployed

from August 2019 to June 2021

R\$108.3 Bn credit¹ for positive impact sectors and ESG products for the retail industry

- renewable energy
- health and education
- Infrastructure
- pulp and paper
- agribusiness
- credit for women
- financing for electric and hybrid cars
- microcredit

R\$14.3 Bn structuring of capital market operations with ESG label

operations in local and foreign market (green, sustainable and sustainability-linked bonds, etc.)

(1) Total credit portfolio including financial guarantees provided and corporate securities.

credit portfolio

In R\$ billions

	jun-21	mar-21	Δ	jun-20	Δ
individuals	279.7	261.3	7.0%	228.8	22.2%
credit card loans	88.3	82.8	6.7%	72.9	21.2%
personal loans	36.0	35.6	1.2%	37.3	-3.3%
payroll loans	59.1	56.1	5.5%	50.4	17.3%
auto loans	25.8	24.4	5.7%	19.5	32.3%
mortgage	70.5	62.4	12.8%	48.8	44.4%
very small, small and middle market loans	132.6	128.3	3.4%	107.4	23.4%
individuals + SMEs loans	412.3	389.6	5.8%	336.2	22.6%
corporate loans	286.7	279.0	2.8%	259.2	10.6%
credit operations	179.5	185.6	-3.3%	175.4	2.4%
corporate securities	107.2	93.4	14.7%	83.9	27.8%
total Brazil	699.0	668.6	4.6%	595.5	17.4%
Latin America	210.0	237.8	-11.7%	215.9	-2.7%
total with financial guarantees and corporate securities	909.1	906.4	0.3%	811.3	12.0%
total (ex-foreign exchange rate variation)	909.1	865.7	5.0%	799.0	13.8%

secured loans origination in 2Q21



mortgage for individuals¹

R\$12.3 bn

▲ **14.7%**

2Q21 vs. 1Q21

▲ **262.7%**

2Q21 vs. 2Q20



auto loans for individuals and companies

R\$8.2 bn

▲ **24.2%**

2Q21 vs. 1Q21

▲ **154.5%**

2Q21 vs. 2Q20

🗨️ **global NPS**

37 points

+7 in 2Q21

🗨️ **transactional NPS**

51 points

+16 in 2Q21

🗨️ **Global NPS**

78 points

+10 in 2021



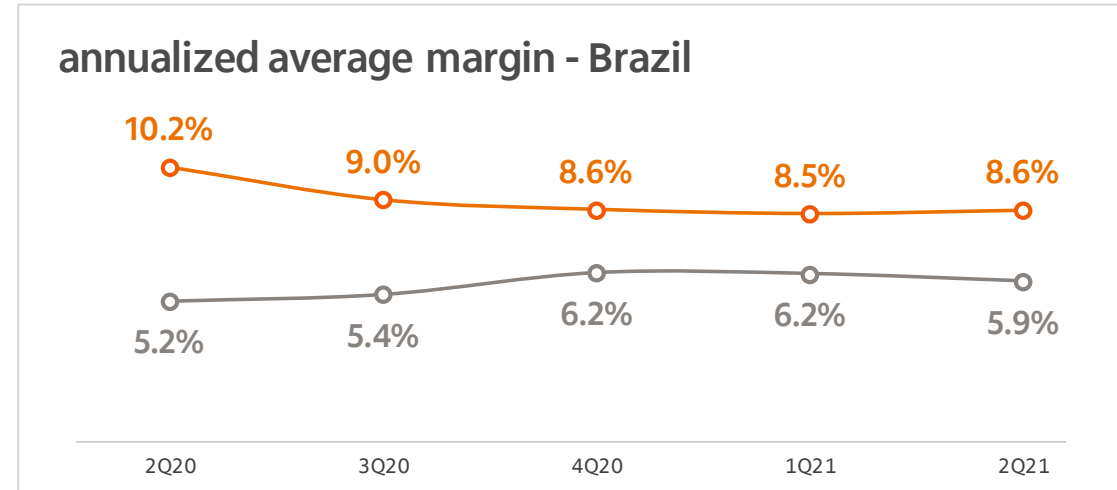
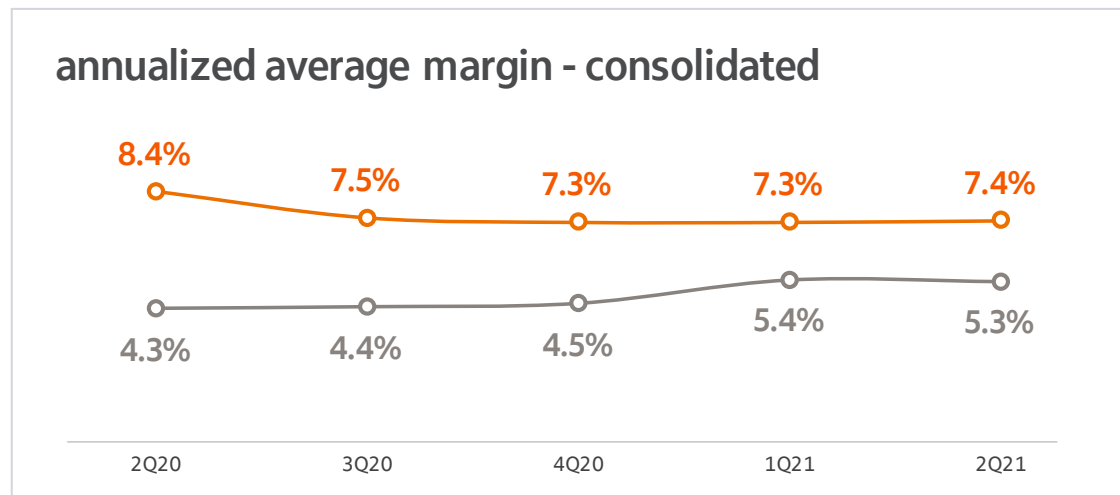
personal loans

average balance

	Jun/21 vs. Mar/21	Jun/21 vs. Jun/20
personalized credit	- 6.9%	- 3.4%
overdraft	+ 3.4%	- 19.2%
unsecured loans	+ 15.6%	+ 1.2%

financial margin with clients

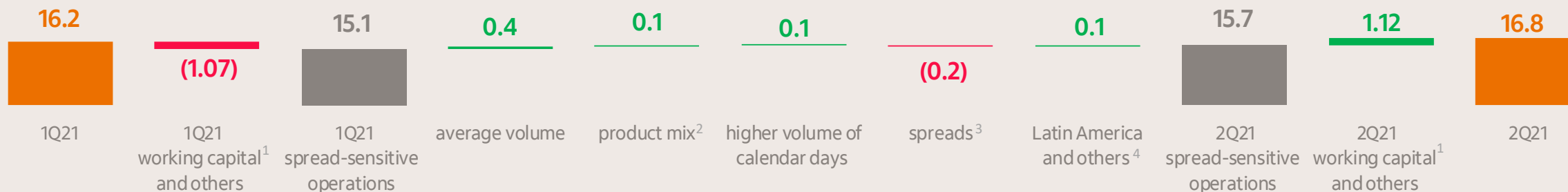
-o- financial margin with clients -o- risk-adjusted financial margin with clients



change in the financial margin with clients

In R\$ billions

^ R\$0.6 Bn (+3.9%)



(1) Includes capital allocated to business areas (except treasury), in addition to the corporation's working capital, (2) Change in the composition of assets with credit risk between periods in Brazil, (3) includes liabilities' financial margin; (4) Others considers structured wholesale operations.

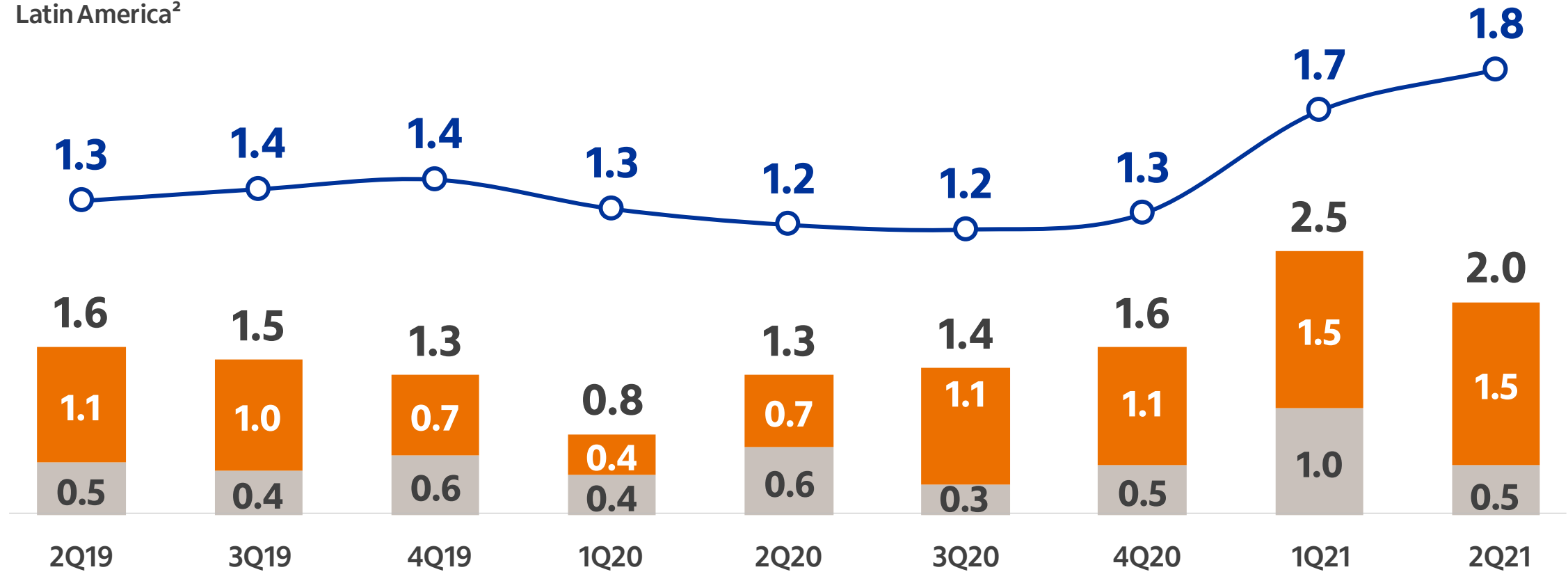
financial margin with the market

in R\$ billion

○ 1-year moving average

● Brazil¹

● Latin America²



(1) Includes units abroad ex-Latin America; (2) Excludes Brasil.

the most complete credit card shelf on the market

one card for each type of client

options according to the benefit

- no annuity
- supermarket
- miles and travel
- shopping and electronics
- telephony
- car and fuel


here are some of our cards



 **1.3 mi**
credit cards issued in June 2021
+2x vs Mar-21

 **51%**
of sales made on digital channels in June 2021

 **69 points**
global NPS + 4 points in 2021

 **60%**
market share of expenses in digital wallets

SAMSUNG pay Apple Pay G Pay

35.6 million
credit cards

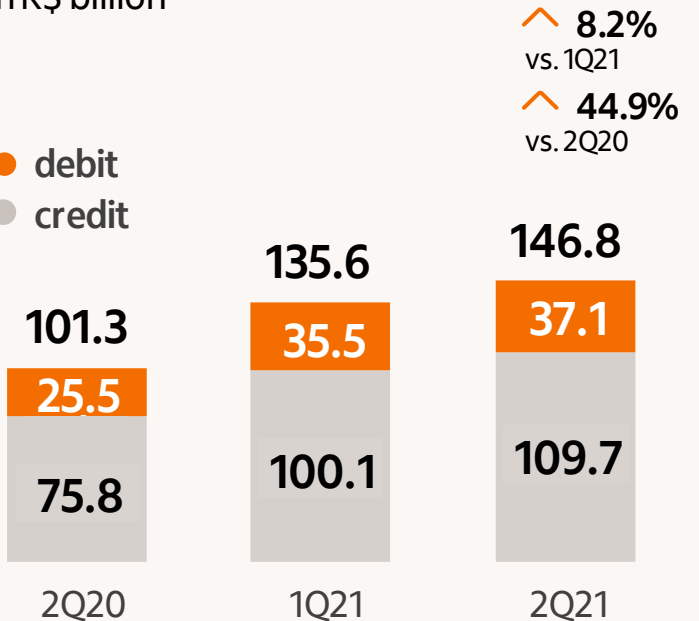
^ **7.8%**
vs. Jun-20

30.6 million
debit cards

^ **2.7%**
vs. Jun-20

transaction volume in R\$ billion

● debit
● credit



commissions and insurance

In R\$ billions

	2Q21	1Q21	Δ	2Q20	Δ
credit and debit cards	3.1	2.9	6.0%	2.5	21.9%
card issuance	2.4	2.3	7.2%	2.0	22.5%
acquiring	0.6	0.6	1.8%	0.5	19.7%
current account services	1.8	1.8	-0.8%	1.8	-2.2%
asset management ¹	1.4	1.3	5.9%	1.3	9.1%
advisory services and brokerage	1.4	1.2	12.3%	0.8	77.9%
credit operations and guarantees provided	0.7	0.6	8.4%	0.5	32.2%
collection services	0.5	0.5	3.1%	0.4	15.9%
other	0.4	0.4	-0.8%	0.3	18.6%
Latin America (ex-Brazil)	0.8	0.8	-4.0%	0.7	9.0%
commissions and fees	10.0	9.6	4.4%	8.4	18.9%
result from insurance operations²	1.3	1.5	-8.5%	1.5	-10.9%
commissions, fees and result from insurance	11.3	11.0	2.7%	9.9	14.4%

(1) Includes fund management fees and "consórcio" management fees, (2) Result from insurance includes the revenues from insurance, pension plan and premium bonds operations net of retained claims and selling expenses, (3) Source: Dealogic and ANBIMA, June 2021.



investment banking ranking³

record number of operations in the 1H21

1st place

ECM

R\$15.4 billion

of volume issued in 38 operations in 1H21

1st place

M&A

R\$145.4 billion

in volume traded in 23 operations in 1H21

1st place

local fixed income

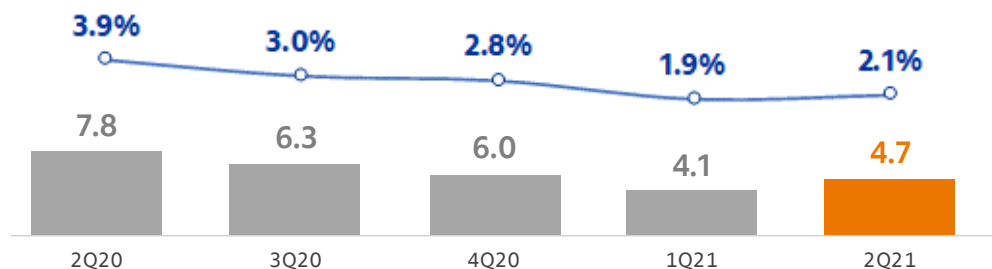
R\$13.7 billion

in volume distributed in 1H21

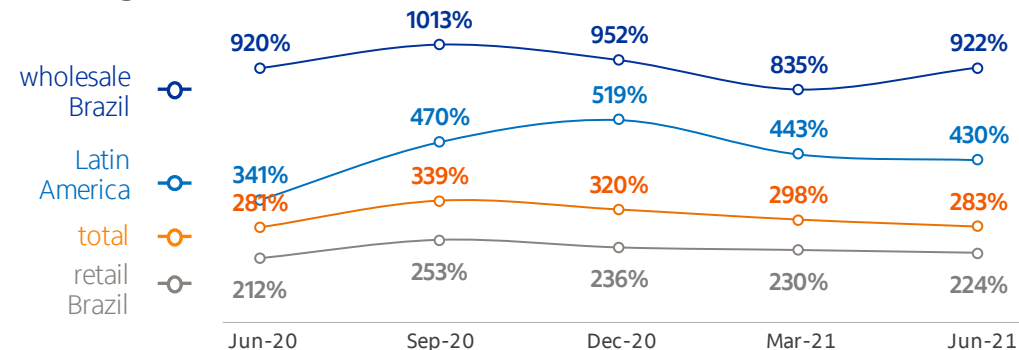
credit quality

cost of credit¹

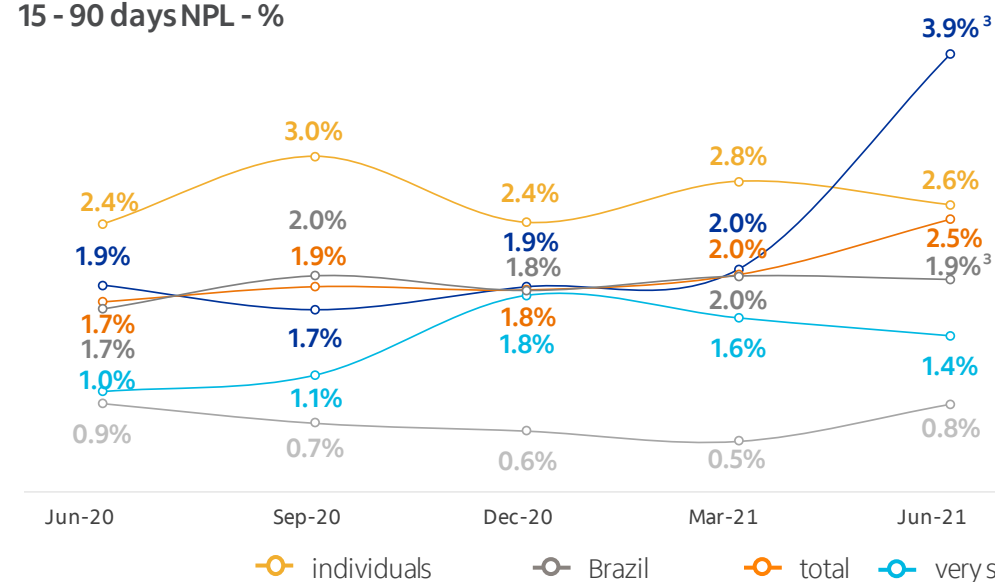
—○ ratio between the annualized cost of credit and the loan portfolio² - (%)



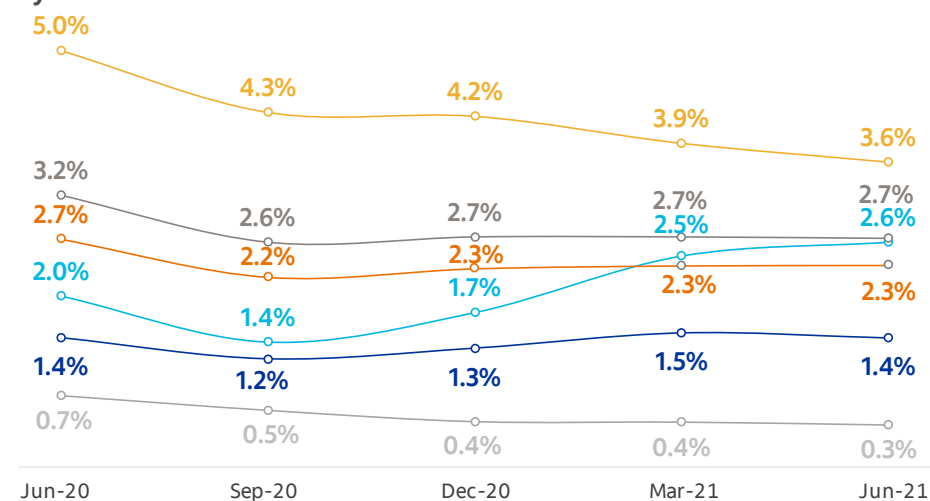
coverage ratio – NPL 90 dias (%)



15 - 90 days NPL - %



90 days NPL - %



(1) Provision for Loan Losses + Recovery of Loans + Impairment + Discounts Granted, (2) Average loan portfolio balance with financial guarantees provided and corporate securities considers the last two quarters;

(3) excluding specific operation, the NPL 15-90 days in Latin America would be 1.7% and 1.9% in the consolidated.

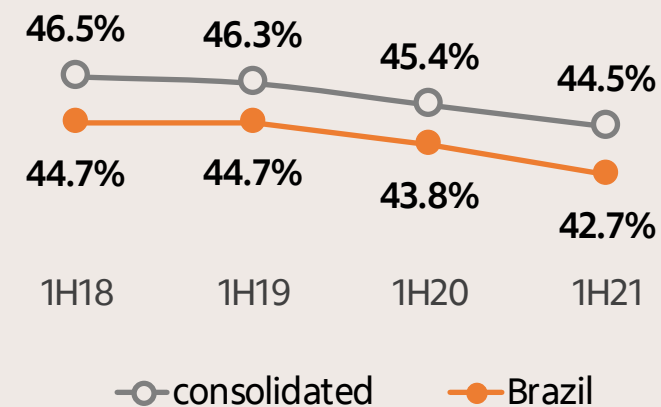
non-interest expenses

In R\$ billions

	2Q21	1Q21	Δ	1H21	1H20	Δ
personnel	(5.0)	(4.9)	1.6%	(9.9)	(9.2)	7.4%
administrative	(3.9)	(4.0)	-2.7%	(7.9)	(8.0)	-2.1%
other ⁽¹⁾	(1.7)	(1.5)	10.3%	(3.2)	(3.5)	-9.7%
total - Brazil	(10.5)	(10.4)	1.2%	(21.0)	(20.8)	0.8%
Latin America (ex-Brazil) ⁽²⁾	(2.0)	(2.0)	-0.7%	(4.0)	(3.4)	19.9%
non-interest expenses	(12.6)	(12.4)	0.9%	(25.0)	(24.2)	3.5%

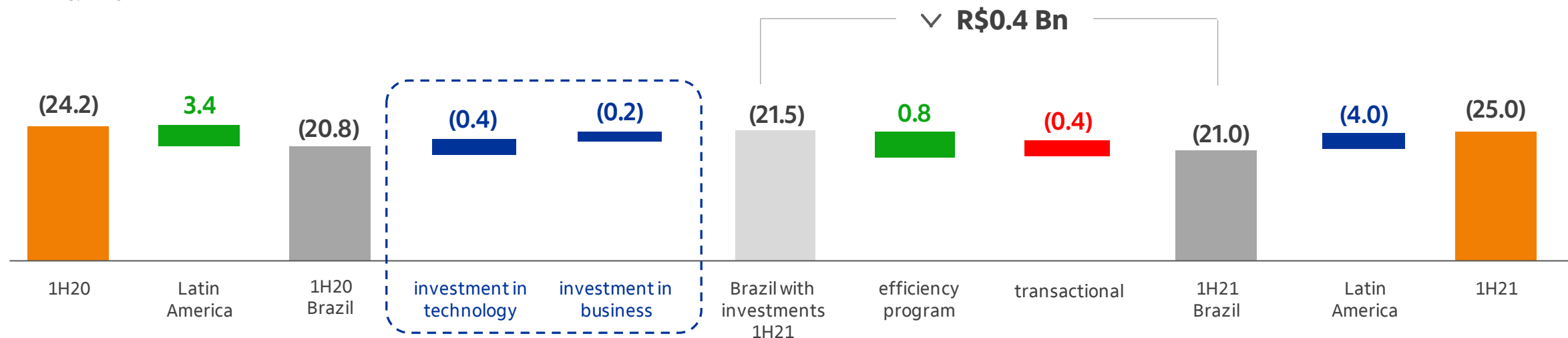
inflation (IPCA)
8.3%

efficiency ratio



change, highlighting investments

1H21 vs. 1H20



(1) Includes operating expenses, provision expenses and other tax expenses (Includes IPTU, IPVA, IOF and others. Does not include PIS, Cofins and ISS), (2) Does not consider overhead allocation.

technology modernization

13 thousand

technology employees
in Jun/21
+ 83% in the last 2 years

generation of value
through **systems
modernization**



+ agility for changes

6,700

highest historical
average of
changes per
month in 1H21

+151%

changes volume
1H21 vs 1H20

ambition

**modernize and
migrate 50%**

of more than 3,800
services to
the cloud by the
end of 2022

benefits of modernization



flexible and adaptable platform
designed to evolve



componentized architecture
based on microservices



use of reusable solutions
bringing more competitiveness



greater frequency of deliveries
improving time to market



analytics by design and observability
tools to better monitor customer experience
and improve the business platform



our **pix** solution is
cloud-native and on
a modern platform

20%

of all volume
transferred in Brazil

99.8%

average
availability

15%

average monthly
growth in transaction
volume

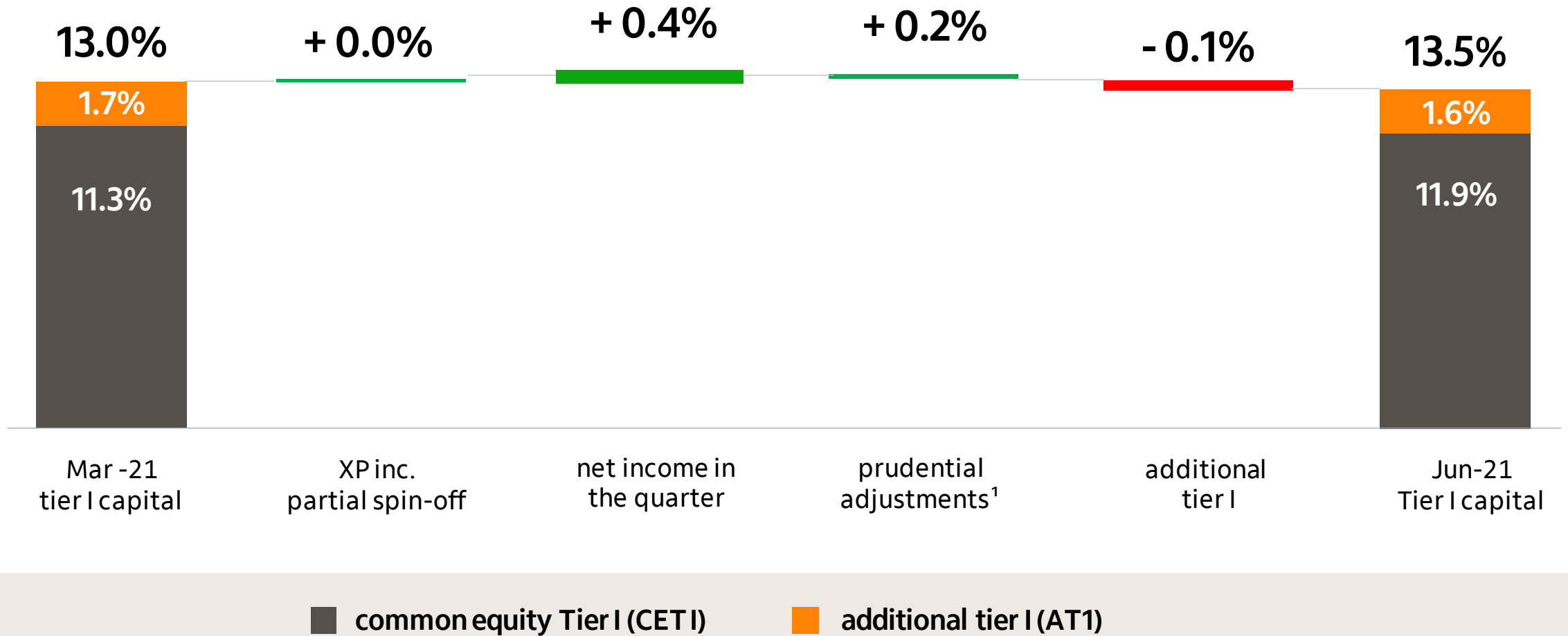
other examples



Samsung

Credicard On

capital



(1) mainly tax credits.

we have reached pre-crisis performance levels

In R\$ billion, except when indicated

operating revenues

credit portfolio and fees growth associated with the recovery of economic activity and a strong performance of capital markets

1H21

60.7

1H19

57.7

non-interest expenses

effective cost reduction of 12.4% in Brazil in the period

(25.0)

(24.8)

efficiency ratio

efficiency as a permanent strategic pillar

44.5%

46.3%

income before taxes

22.3

21.0

...with growth potential

guidance 2021

consolidated

Brazil¹

	previous	reviewed	previous	reviewed
total credit portfolio ²	growing between 5.5% to 9.5%	growing between 8.5% to 11.5%	growing between 8.5% to 12.5%	growing between 12.5% to 15.5%
financial margin with clients	growing between 2.5% to 6.5%	maintained	growing between 3.0% to 7.0%	maintained
financial margin with the market	range from R\$4.9 bn to R\$6.4 bn	range from R\$6.5 bn to R\$8.0 bn	range from R\$3.3 bn to R\$4.8 bn	range from R\$3.9 bn to R\$5.4 bn
cost of credit ³	range from R\$21.3 bn to R\$24.3 bn	range from R\$19.0 bn to R\$22.0 bn	range from R\$19.0 bn to R\$22.0 bn	range from R\$17.0 bn to R\$20.0 bn
commissions and fees and results from insurance operations ⁴	growing between 2.5% to 6.5%	maintained	growing between 2.5% to 6.5%	maintained
non-interest expenses	range from -2.0% to 2.0%	maintained	range from -2.0% to 2.0%	maintained
effective tax rate	range from 34.5% to 36.5%	maintained	range from 34.0% to 36.0%	maintained

(1) Includes units abroad ex-Latin America; (2) Includes financial guarantees provided and corporate securities; (3) Composed of result from loan losses, impairment and discounts granted; (4) commissions and fees (+) income from insurance, pension plan and premium bonds operations (-) expenses for claims (-) insurance, pension plan and premium bonds selling expenses.

**additional
information**

results

In R\$ billions

	1Q21	4Q20	Δ	1Q20	Δ	1H21	1H20	Δ
operating revenues	30.6	30.0	2.0%	28.0	9.3%	60.7	57.2	6.0%
managerial financial margin	18.8	18.6	0.8%	17.8	5.7%	37.4	35.6	5.2%
financial margin with clients	16.8	16.2	3.9%	16.5	2.0%	33.0	33.5	-1.6%
financial margin with the market	2.0	2.5	-19.1%	1.3	52.3%	4.5	2.1	115.3%
commissions and fees	10.0	9.6	4.4%	8.4	18.9%	19.6	17.9	9.2%
revenues from insurance	1.8	1.8	0.9%	1.8	0.4%	3.7	3.7	-1.4%
cost of credit	(4.7)	(4.1)	14.1%	(7.8)	-39.6%	(8.8)	(17.9)	-50.7%
provision from loan losses	(4.8)	(4.4)	9.0%	(7.6)	-36.1%	(9.3)	(18.0)	-48.4%
impairment	(0.0)	0.0	-116.8%	(0.2)	-95.9%	0.0	(0.3)	-114.0%
discounts granted	(0.6)	(0.4)	42.4%	(0.8)	-22.4%	(1.0)	(1.0)	-2.4%
recovery of loans written off as losses	0.7	0.7	6.9%	0.7	-0.8%	1.4	1.4	1.0%
retained claims	(0.5)	(0.4)	39.6%	(0.3)	54.9%	(0.9)	(0.7)	31.2%
other operating expenses	(14.4)	(14.2)	1.5%	(13.8)	5.0%	(28.7)	(27.5)	4.3%
non-interest expenses	(12.6)	(12.4)	0.9%	(12.1)	3.7%	(25.0)	(24.2)	3.5%
tax expenses and other	(1.9)	(1.8)	5.7%	(1.6)	14.8%	(3.7)	(3.3)	9.9%
income before tax and minority interests	11.0	11.3	-3.0%	6.2	78.2%	22.3	11.2	99.2%
income tax and social contribution	(4.0)	(4.4)	-9.4%	(1.9)	109.0%	(8.4)	(2.9)	190.7%
minority interests in subsidiaries	(0.5)	(0.5)	-13.7%	(0.1)	670.3%	(1.0)	(0.2)	379.2%
recurring managerial result	6.5	6.4	2.3%	4.2	55.6%	12.9	8.1	59.4%

business model

The allocation of principal capital (Common Equity Tier 1) in the bank's business is made at 12%, according to our risk appetite.

Em R\$ bilhões	1 st Half 2021					1 st Half 2020					1H21 vs. 1H20				
	Total	Credit	Trading	Insurance & services	Excess capital	Total	Credit	Trading	Insurance & services	Excess capital	Total	Credit	Trading	Insurance & services	Excess capital
Operating revenues	60.7	32.4	1.4	26.8	0.1	57.2	31.9	0.6	24.7	0.1	3.4	0.5	0.8	2.1	(0.0)
Managerial financial margin	37.4	26.1	1.4	9.8	0.1	35.6	26.2	0.6	8.7	0.1	1.8	(0.1)	0.8	1.1	(0.0)
Commissions and fees	19.6	6.2	0.0	13.3	-	17.9	5.6	0.0	12.3	-	1.6	0.6	0.0	1.1	-
Revenues from insurance ¹	3.7	-	-	3.7	-	3.7	-	-	3.7	-	(0.1)	-	-	(0.1)	-
Cost of credit	(8.8)	(8.8)	-	-	-	(17.9)	(17.9)	-	-	-	9.1	9.1	-	-	-
Retained claims	(0.9)	-	-	(0.9)	-	(0.7)	-	-	(0.7)	-	(0.2)	-	-	(0.2)	-
Non-interested expenses and other²	(29.7)	(14.7)	(0.4)	(14.6)	0.0	(27.7)	(13.8)	(0.2)	(13.8)	0.0	(2.0)	(1.0)	(0.2)	(0.8)	(0.0)
Recurring managerial result	12.9	5.3	0.6	7.0	0.0	8.1	1.0	0.2	7.0	(0.0)	4.8	4.3	0.4	0.0	0.1
Average regulatory capital	138.3	81.7	2.4	49.2	5.0	126.8	75.9	1.4	50.6	(1.1)	11.5	5.9	1.0	(1.4)	6.0
Value creation	4.4	0.3	0.4	3.9	(0.3)	0.4	(3.5)	0.2	3.6	0.0	4.0	3.8	0.2	0.3	(0.3)
Recurring managerial ROE	18.8%	12.9%	49.8%	28.5%	1.3%	13.1%	2.5%	27.3%	27.6%	4.7%	5.7 p.p.	10.4 p.p.	22.5 p.p.	0.9 p.p.	-3.4 p.p.

(1) Revenues from Insurance includes the Revenues from Insurance, Pension Plan and Premium Bonds Operations before Retained Claims and Selling Expenses. (2) Include Tax Expenses (ISS, PIS, COFINS and other), Insurance Selling Expenses and Minority Interests in Subsidiaries

business monitoring

credit granted in 2Q21

balance in Jun-21

:D global NPS



individuals mortgage

R\$12.3 Bn

^ 14.7%
2Q21 vs. 1Q21

^ 262.7%
2Q21 vs. 2Q20

R\$70.5 Bn

^ 12.8%
Jun-21 vs. Mar-21

^ 44.4%
Jun-21 vs. Jun-20

37 points
+7 points in 2Q21



auto loans individuals and companies

R\$8.2 Bn

^ 24.2%
2Q21 vs. 1Q21

^ 154.5%
2Q21 vs. 2Q20

R\$41.0 Bn

^ 9.2%
Jun-21 vs. Mar-21

^ 38.8%
Jun-21 vs. Jun-20

78 points
+10 points in 2021



agribusiness segment

R\$14.3 Bn

^ 40.1%
2Q21 vs. 1Q21

^ 39.0%
2Q21 vs. 2Q20

R\$ 49.1 bi

^ 5.4%
Jun-21 vs. Mar-21

^ 24.0%
Jun-21 vs. Jun-20

75 points
+4 points in 2021



2021 target
15 million clients



7.8 MM
in Jun-21
> 2.6 MM
in 2Q21



2Q21 earnings review

Milton Maluhy Filho

Chief Executive Office (CEO)

Alexsandro Broedel

Chief Financial Officer (CFO)

Renato Lulia Jacob

Group Head of Investor Relations and
Marketing Intelligence