

(A free translation of the original in Portuguese)

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***Banco Cooperativo  
do Brasil S.A. -  
Bancoob***

***Parent company and consolidated  
financial statements at  
December 31, 2020  
and independent auditor's report***



(A free translation of the original in Portuguese)

## **Independent auditor's report**

To the Board of Directors and Shareholders  
Banco Cooperativo do Brasil S.A. - Bancoob

### **Opinion**

We have audited the accompanying parent company financial statements of Banco Cooperativo do Brasil S.A. - Bancoob ("Institution"), which comprise the balance sheet as at December 31, 2020 and the statements of income, comprehensive income, changes in equity and cash flows for the six-month period and year then ended, as well as the accompanying consolidated financial statements of Banco Cooperativo do Brasil S.A. - Bancoob and its subsidiaries ("Consolidated"), which comprise the consolidated balance sheet as at December 31, 2020 and the consolidated statements of income, comprehensive income, changes in equity and cash flows for the six-month period and year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

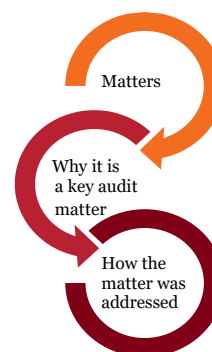
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Banco Cooperativo do Brasil S.A. - Bancoob and of Banco Cooperativo do Brasil S.A. - Bancoob and its subsidiaries as at December 31, 2020, and the Institution's financial performance and cash flows, as well as the consolidated financial performance and cash flows, for the six-month period and year then ended, in accordance with accounting practices adopted in Brazil, applicable to institutions authorized to operate by the Brazilian Central Bank (BACEN).

### **Basis for opinion**

We conducted our audit in accordance with Brazilian and International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the parent company and consolidated financial statements section of our report. We are independent of the Institution and its subsidiaries in accordance with the ethical requirements established in the Code of Professional Ethics and Professional Standards issued by the Brazilian Federal Accounting Council, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Key audit matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in our audit of the parent company and consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.





<b>Why it is a Key Audit Matter</b>	<b>How the matter was addressed in the audit</b>
<p data-bbox="258 459 861 526"><b>Provisions for expected losses associated with credit risk (Notes 3(h), 9 and 24 (f))</b></p> <p data-bbox="258 548 861 649">The estimate of the provisions for expected losses associated with credit risk involves judgment by Management.</p> <p data-bbox="258 672 861 884">The provisions for expected losses associated with credit risk are recorded in accordance with the regulatory requirements of the National Monetary Council (CMN) and the Brazilian Central Bank (BACEN), especially CMN Resolution 2,682, and are based on the analyses of outstanding receivables.</p> <p data-bbox="258 907 861 1008">In addition, Management has monitored the COVID-19 impacts that may affect the operations and results.</p> <p data-bbox="258 1030 861 1108">Accordingly, this area remained as an area of focus in our audit.</p>	<p data-bbox="861 548 1474 952">We updated our understanding and tested the internal controls that are significant for the calculation and recognition of the provisions for expected losses associated with credit risk, mainly including the following processes: (i) approval of the credit policy; (ii) credit analysis; (iii) credit granting and renegotiated transactions; (iv) attribution of rating considering the risk of the recoverable amount of transactions; (v) processing and recording of provisions; (vi) reconciliation of account balances with the analytical position; and (vii) preparation of the notes to the financial statements.</p> <p data-bbox="861 974 1474 1220">We conducted tests to verify the integrity of the database used to calculate the provisions for expected losses associated with credit risk, in addition to tests to verify the application of the calculation methodology for these provisions in relation to the ratings attributed, the assumptions adopted, as well as the comparison of the account balances with the analytical reports.</p> <p data-bbox="861 1243 1474 1377">We obtained an understanding of the procedures adopted by Management to monitor the COVID-19 impacts that may affect the operations and results.</p> <p data-bbox="861 1400 1474 1590">We consider that the criteria and assumptions adopted by Management to calculate and record the provisions for expected losses associated with credit risk to be reasonable, in all material respects, in the context of the financial statements.</p>
<p data-bbox="258 1635 861 1713"><b>Provisions for contingent liabilities (Notes 3(q) and 19)</b></p> <p data-bbox="258 1736 861 1859">Bancoob and its subsidiaries are parties to tax, labor and civil proceedings, at the administrative and judicial levels, resulting from the normal course of their business.</p> <p data-bbox="258 1881 861 2038">In general, these proceedings can require a considerable length of time until their definitive resolution involving not only discussions on merits, but also complex procedural aspects, in accordance with applicable legislation.</p>	<p data-bbox="861 1736 1474 1892">Our audit procedures included, among others, updating of our understanding and tests related to the identification and constitution of contingent liability provisions and disclosures in the explanatory notes.</p> <p data-bbox="861 1915 1474 2038">In addition, we performed confirmation procedures with the law firms responsible for accompanying the administrative and judicial proceedings to assess management's prognosis,</p>



Banco Cooperativo do Brasil S.A. - Bancoob

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<b>Why it is a Key Audit Matter</b>	<b>How the matter was addressed in the audit</b>
<p>The decision to recognize a contingent liability and the measurement bases require the judgment of Management, being periodically reassessed, including when preparing the financial statements, and considering new events.</p> <p>This area remained as an area of focus in our audit.</p>	<p>including for new events that occurred during the latter six-month period, the completeness of information and sufficiency of the provisions.</p> <p>We consider that the criteria and assumptions adopted by Management to determine and record the provisions for contingent liabilities to be reasonable, in all material respects, in the context of the financial statements.</p>

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### **Information technology environment**

<p>Bancoob has a business environment that is highly dependent on technology, requiring a complex infrastructure to support its volume of transactions processed daily in its several systems.</p> <p>The risks inherent to information technology, associated with the processes and controls that support the processing of the technology systems, considering the use of legacy systems in its technology environments, may result in the incorrect processing of critical information, including those used in the preparation of the financial statements.</p> <p>This matter remained an area of focus in our audit.</p>	<p>With the assistance of our system experts, we reviewed our evaluation of the design and tested the operating effectiveness of the internal controls related to the management of the information technology environment.</p> <p>The procedures carried out involved a combination of control tests of the key processes related to information security, the development and maintenance of systems, and the operation of systems related to the infrastructure that supports the business.</p> <p>We consider that the technology environment processes and controls provided a reasonable basis to determine the nature, period and extent of our audit procedures on the financial statements.</p>
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### **Other information accompanying the parent company and consolidated financial statements and the auditor's report**

The Institution's management is responsible for the other information that comprises the Management Report.

Our opinion on the parent company and consolidated financial statements does not cover the Management Report, and we do not express any form of audit conclusion thereon.

In connection with the audit of the parent company and consolidated financial statements, our responsibility is to read the Management Report and, in doing so, consider whether this report is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement in the Management Report, we are required to report that fact. We have nothing to report in this regard.



Banco Cooperativo do Brasil S.A. - Bancoob

### **Responsibilities of management and those charged with governance for the parent company and consolidated financial statements**

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The Institution's management is responsible for the preparation and fair presentation of these parent company and consolidated financial statements in accordance with accounting practices adopted in Brazil, applicable to institutions authorized to operate by the Brazilian Central Bank (BACEN), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent company and consolidated financial statements, management is responsible for assessing the Institution's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Institution or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the financial reporting process of the Institution and its subsidiaries.

### **Auditor's responsibilities for the audit of the parent company and consolidated financial statements**

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Our objectives are to obtain reasonable assurance about whether the parent company and consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Brazilian and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Brazilian and International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the parent company and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Institution and its subsidiaries.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Institution's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the parent company and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Institution to cease to continue as a going concern.



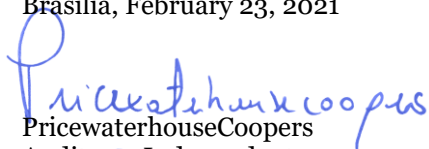
Banco Cooperativo do Brasil S.A. - Bancoob

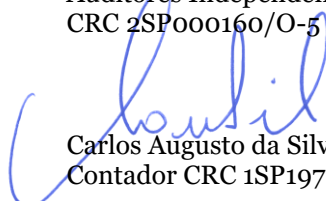
- Evaluate the overall presentation, structure and content of the parent company and consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Brasília, February 23, 2021

  
PricewaterhouseCoopers  
Auditores Independentes  
CRC 2SP000160/O-5

  
Carlos Augusto da Silva  
Contador CRC 1SP197007/O-2

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# **PARENT COMPANY AND CONSOLIDATED FINANCIAL STATEMENTS**

Banco Cooperativo do Brasil - Bancoob

| **December 31, 2020**





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## Management Report

December 31, 2020 and 2019

### Macroeconomic Scenario

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The year 2020 was marked by the impacts of the COVID-19 pandemic, an unprecedented event in modern economic history, with equally unprecedented consequences for global economies and on our way of life. The highly restrictive measures adopted by health and government authorities to curb the spread of the virus led to a temporary disruption in both supply and demand, resulting in unparalleled declines in the economic activity indexes globally.

Throughout the second half of the year economies staged a partial recovery compared to the most critical periods of the pandemic, but the second wave that hit a number of regions renewed the fears of a reversal of this recovery. In Brazil, the economy followed the same trend as the rest of the world, and concerns were worsened by the perception of a complex fiscal legacy left by the previous administration amidst an always turbulent political environment.

The main economic activity indexes began showing the impacts of the pandemic from March, which was when the social distancing measures were first implemented; although not consistently across the different industries, signs of a recovery began to show up from May.

Based on figures released up to November, the retail trade is the sector that has recovered the most, reporting, according to the Monthly Trade Survey (PMC) from the Brazilian Institute of Geography and Statistics (IBGE), an increase in sales of 7.3% when compared to February. Consumer goods have benefited in two ways during this atypical period. On the one hand, the emergency relief fund injected by the federal government up to November, totaling R\$ 275 billion, according to data from the National Treasury Department, was key to sustaining consumption, especially for the more vulnerable families and informal workers. On the other hand, the forced change in habits caused by the pandemic led people to spend less on services, including travel, entertainment and meals outside their homes, freeing up income to be spent on goods. In view of the recovery seen over the last months, the Monthly Retail Trade Survey index increased by 1.1% between January and November when compared to the same period in 2019.

The manufacturing industry has also showed a positive trend over the last months, reporting, in November, a 2.6% increase compared to February, according to the monthly industrial production index (PIM) calculated by IBGE. In the year to date up to November, industrial production still reported a decline of 5.5%, reflecting the disruption to production chains, particularly in April and May.

The service industry continued to experience the slowest recovery, being the sector most severely impacted by the pandemic. In November, IBGE's service industry index dropped by 3.2% in comparison to February. From January to November, the volume of services decreased by 8.4% when compared to the same period in 2019.

In November, the Economic Activity Index of the Brazilian Central Bank (IBC-Br) increased for the seventh consecutive time. After declining by 15% in March and April, the most critical months from the point of view of the disruption to the economy, this index rose by 15.3% in the subsequent months. As a result, in November, it was only 1.9% below the index disclosed in February. In the year to date up to November, the IBC-Br dropped by 4.6% when compared to the same period in 2019.

## Management Report

### December 31, 2020 and 2019

Up to the third quarter, Brazil's GDP had decreased by 5.0% in comparison to the first three quarters of 2019. The high volatility seen throughout 2020, was a direct effect of the pandemic. After declining by 1.5% and 9.6% in the first and second quarters, respectively, the GDP reported a significant increase of 7.7% in the third quarter. Among the industries measured based on supply chain performance, the service sector presented the worst result, reporting a decline of 5.3% in GDP, followed by the manufacturing industry, with a decline of 5.1%. Agribusiness was the only sector to record growth up to the third quarter, with a 2.6% increase in the period.

The growth in production of grains and fibers was estimated at 4.1% in 2020, according to a survey conducted by the National Supply Company (CONAB) in January. The GDP of agribusiness in 2020 should confirm this expectation, with an estimated growth of 2.1% when compared to 2019. The 6.3% growth in soybean production was the main driver of this positive performance, especially in the first and second quarters, when increases of 4.0% and 2.4%, respectively, were reported in comparison with the same quarters in 2019.

The agribusiness sectors benefited from the weaker foreign exchange rates throughout the year, favoring export activities, which reached approximately US\$ 101 billion according to data compiled by the Ministry of Agriculture (growth of 4.1% compared to 2019). These figures also reflect the strong performance of coffee and sugar sales on the international market. The favorable external demand increased the producers' prospects, particularly of soybean producers, driving further investments in the sector.

The job market also presented sharp fluctuations over the year. According to data from the National Household Sample Survey (PNAD), which provides a broader view of the job market by including data on informal work, the scenario still remained atypical. At the end of the third quarter, the unemployment rate was 14.3%, below the peak of 14.6% reported for the previous month, but much above the minimum rate reported for the year (11.2% in January).

The credit market was also heavily affected by the pandemic, but at different levels, depending on the purpose of the credit facilities. Loans to legal entities increased significantly due to the creation of emergency credit lines to provide companies with financial support. Consequently, in the year-to-date up to November, loans granted to legal entities using designated funds increased by 107% in nominal terms when compared to the same period in 2019, according to data released by the Brazilian Central Bank. Also in the legal entity segment, loans using non-designated funds increased by only 6.5% up to November. On the other hand, loans granted to individuals experienced a sharp decline in March and April, resuming growth afterward. Accordingly, in nominal terms, there was a 2.0% decline in the year-to-date up to November. Loans to legal entities using designated funds continued to show a positive trend, recording a growth of 20% up to November, a performance strongly influenced by real estate loans.

The default rate increased in the first months of the pandemic, a trend that was reversed in the subsequent months. In relation to loans to individuals, the default rate reached a peak of 5.6% in May (from 4.9% in January) but started to decline in the subsequent months, reaching 4.3% in November. The default on loans to legal entities fell from a peak of 2.4% in April and May to a historical low rate of 1.5% in October and November.

The official annual inflation rate, as measured by the Amplified Consumer Price Index (IPCA), was under pressure at the end of year, reporting an increase to 4.52%. A significant part of the pressure seen in the year arose from the increase in prices of foodstuffs, driven, to a great extent, by the strong depreciation of the Brazilian currency and the higher global consumption of these items due to the pandemic.

Against the backdrop of the severe economic impacts brought by the pandemic and expected missed target inflation, the Brazilian Central Bank extended the interest rate cutting process, and inflation reached the unprecedented level of 2% at the meeting held in August. The SELIC benchmark interest rate then remained stable up to the end of 2020, and the Monetary Policy Committee (Copom) emphasized that the current conditions call for an exceptionally high level of stimulus.

# Management Report

## December 31, 2020 and 2019

In the international scenario, the main global economies staged a recovery throughout the second half of the year, after the unusual declines in economic activity caused by the pandemic. In China, where the most intense impacts were experienced in the first quarter, the GDP reported a surprising growth of 2.3% in 2020, which probably makes China the only major global economy to report growth last year. Meanwhile, the Western world has been grappling with the second wave of the pandemic since the last quarter of the year. In the United States, data released showed a strong rebound in the third quarter, followed by signs of a loss of momentum at the end of the fourth quarter.

## Bancoob's Consolidated Results

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Bancoob specializes in serving financial unions, by providing financial products and services aimed at fulfilling the needs of credit unions. In 2020, Bancoob's main consolidated indicators improved as follows when compared to 2019: results of operations totaled R\$ 162.01 million, up 25.15%; loans and interbank onlendings reached R\$ 18.75 billion, up 32.93%; total deposits amounted to R\$ 55.21 billion, a significant increase of 46.30%; and savings account deposits totaled R\$ 9.90 billion, up 52.16%. Amidst an atypical year marked by the new coronavirus pandemic, these improvements show the resilience of the credit union model to an adverse economic scenario.

In 2020, we highlight Bancoob's operations related to the emergency credit lines created in response to the pandemic-related economic and social impacts, namely the Emergency Employment Support Program (PESE) and the Program for Emergency Access to Credit (PEAC), under which onlendings totaling R\$ 2.47 billion were granted. The Bank also took measures to restructure, renegotiate and extend the terms of loan agreements. As a result of these actions, Bancoob better positioned the credit unions to respond to the challenges posed by Brazil's social and economic scenario.

The major strategic initiative in 2020 was the integration of the corporate governance structures of Bancoob and Sicoob Confederation, defined as Sicoob's third-level entities. Upon the merge of these structures, a Single Governance model was implemented (Board of Directors and Executive Board), with the aim of increasing agility, enhancing synergy between the information technology, operational, business and support areas, and lowering costs. The new corporate governance model reinforces the credit unions' commitment to streamline the use of resources.

As to our business, we achieved a positive and surprising performance in terms of the products and services sold. In the area of agribusiness financing, the release of rural loans increased by 29.5%, reaching R\$ 10.4 billion, serving family-owned, medium-sized and large farms. Our consortium operations totaled R\$ 5.1 billion, an increase of 40.6%, the real estate, vehicle and motorcycle segments being highlighted. In the corporate segment, 177.2 million payment slips were processed, totaling over R\$ 129 billion, an increase of 27.7%. In the payroll-deductible loan segment, the loans granted totaled R\$ 1.3 billion, an increase of 50.9%, particularly for resources lent to retirees and pensioners, which were up 60% over 2019.

This portfolio benefited particularly from the launch of the Coopera platform, Sicoob's loyalty ecosystem, which is currently available for credit union members and organized into three business verticals: Points Program, Marketplace, and Online Stores.

## Performance

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At the end of 2020, Bancoob's consolidated assets totaled R\$ 76.26 billion, a 41.77% increase when compared to December 2019, with the following being particularly noteworthy:

### a. Financial instruments

Consolidated financial instruments totaled R\$ 37.13 billion in 2020, an increase of approximately 12.81% when compared to December 2019, with the following highlights:

# Management Report

## December 31, 2020 and 2019

### Marketable securities

In the consolidated financial statements, marketable securities were R\$ 17.49 billion in 2020, comprising mainly federal government securities (LFTs, LTNs and NTNs), which accounted for approximately 47.10% of the total amount.

### Investments in interbank deposits

In the consolidated financial statements, investments in interbank deposits amounted to R\$ 888.83 million in 2020, comprised of Interbank Deposit Certificates.

### Interbank onlendings and lending operations

In the consolidated financial statements, interbank onlendings and lending operations totaled R\$ 18.75 billion, up 32.93% compared to December 2019. As regards the breakdown of the loan portfolio, the real estate credit lines, which increased by 188.16%, and working capital loans, which increased by 58.68%, were the highlights. Rural Savings Accounts, Own Funds, Compulsory Funds, BNDES/FINAME, and the Constitutional Financing Fund of the Mid-West of Brazil (FCO) also reported growth.

The payroll-deductible loan portfolio (including loans to pensioners and retirees of the National Institute of Social Security (INSS) and under traditional credit facilities) totaled R\$ 1.33 billion, increasing by 50.38% in relation to December 2019.

### b. Card operations

Bancoob, which issues cards for Sicoob and other credit union systems, issued 7.96 million cards in 2020, 3.15 million of which have a built-in limit. The expansion of the card base through partner systems represented approximately 23% of total revenues.

The volume of purchases in the year increased by 28% in relation to 2019, reaching R\$ 48.9 billion. Looking only at the transactions carried out using the credit function, the volume reached R\$ 25.47 billion.

### c. Acquiring operations

In 2020, acquiring operations, which combine the Sicoob customer base and those of partner systems, recorded a decrease of 10% in the number of authorized licensees of the Sipag card machine when compared to 2019.

In addition to narrowing the customer base, the impacts of the pandemic caused accumulated revenue, of R\$ 31.7 billion, to drop by 4% in relation to 2019.

### d. Deposits

In 2020, consolidated deposits reached R\$ 55.21 billion, up 46.30% over 2019, reflecting the confidence placed in Bancoob as the manager of the available funds of Sicoob and its partner systems.

The credit union savings account ("*Poupança Cooperada*") closed the year with a total of R\$ 9.90 billion, up 52.16% over 2019.

### e. Services

Bancoob provides services such as document custody, microfilming and tracking, and real-time queries, among others. During 2020, Bancoob processed a total of 465,593,619 documents, an increase of 10.32% when compared to 2019.

### f. New agreements

In 2020, new corporate agreements for the collection of bar-coded invoices/payment slips and direct deposits were added to the Bank's portfolio, totaling 53 partnership agreements signed. Among the new

# Management Report

## December 31, 2020 and 2019

partnership agreements we highlight the Municipal Autonomous Water and Sewage Service (SAMAE) of Caxias do Sul; CERTEL (Rio Grande do Sul); the City of Fazenda Rio Grande, state of Paraná; the City of Alvorada do Sul, state of Paraná; the Municipal Water and Sewage Company (EMASA) of Camboriú, state of Santa Catarina; Concessionária Águas de Bombinhas, state of Santa Catarina; the City of Arinos, state of Minas Gerais; the City of Ipatinga, state of Minas Gerais; the City of Itabira, state of Minas Gerais; the City of Bebedouro, state of São Paulo; the City of São José dos Campos, state of São Paulo; the Autonomous Water and Sewage Service (SAAE) of Mogi Mirim, state of São Paulo; the Water and Sewage Service of Pirassununga (SAEP), state of São Paulo; CONSIGAZ, state of São Paulo; PROPANGÁS, state of São Paulo; the City of Vila Velha, state of Espírito Santo; the City of Chapadão do Céu, state of Goiás; the Water and Sewage System of Chapadão do Céu (SANEACEU), state of Goiás; the City of Caldas Novas, state of Goiás; the City of Bela Vista, state of Goiás; the City of Juína, state of Mato Grosso; Concessionária Águas de Matupá, state of Mato Grosso; and Concessionária Águas de Timon, state of Maranhão.

Bancoob's portfolio of agreements, being a significant component of the Brazilian National Financial System, is available to Sicoob's credit unions, as well as to other systems and entities not affiliated with the Bank.

## Risk and capital management

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### I. Risk Management

Bancoob's risk management framework seeks to identify, measure, evaluate, monitor, report, manage, control and mitigate the risks inherent to its activities, based on established policies, strategies, processes and limits.

The allocation of resources, the definition of responsibilities and processes, and the application of the best risk management practices provide greater transparency, effectiveness and timeliness to the Bank's activities.

Its risk management framework is consistent with the nature of its operations and the complexity of the products and services offered, as well as proportional to the extent of the Bank's exposure to risks.

The risks that are considered relevant and which are included in the integrated risk management program are listed below:

- a) Financial risks:** credit risk, market risk, interest rate variation risk, and liquidity risk.
- b) Non-financial risks:** operational risk, socio-environmental risk, reputational risk, compliance risk, strategy risk, business continuity risk, money laundering risk, and cyber security risk.

Bancoob prepares a risk interaction map, which is issued in a specific manual, for the purpose of pointing out the existing correlations between the risks considered relevant.

The risk management process is segregated, and the organizational structure involved ensures specialization, representation, and rationality, with proper dissemination of risk management information and culture across the Institution.

The procedures adopted by the Bank ensure the timely reporting of data relating to normal and atypical situations with respect to risk policies to the governance bodies, as well as the application of stress tests to assess critical situations, which would require the adoption of contingency measures.

With a view to optimizing the delegation and coordination of tasks that are essential to the risk management function, Bancoob adopts a model of three lines of defense, described below:

# Management Report

## December 31, 2020 and 2019

- a) **First line of defense:** controls and operational management performed by risk-taking areas;
- b) **Second line of defense:** specific areas, responsible for the performance of internal control, risk management, and compliance, in an integrated manner;
- c) **Third line of defense:** independent assessment by the internal audit function.

The risk culture is spread across the organization through a structured process, based on specific training programs. Information about the risk appetite levels set in the Risk Appetite Statement (RAS), policies, strategies and processes related to the integrated risk management approach is also disseminated across the Institution.

The Stress Testing Program (STP) inserted into Bancoob's integrated risk management function has the purpose of identifying impacts caused by adverse events and circumstances on the Institution as a whole, or on a specific portfolio, through the application of sensitivity stress tests.

This structure relies on the support from a department specialized in risk management, segregated from the business units and the internal audit function. This segregation ensures, in an ongoing and integrated manner, that the Institution's risks are managed in accordance with the levels defined in the RAS.

The governance bodies, committees, and senior management monitor, on a permanent basis, risk management indicators and activities, so as to ensure the efficiency and effectiveness of the control model.

The Board of Directors is the body responsible for establishing the guidelines, policies, and approval levels for risk management.

The Bank's Risk Committee (Coris) is responsible for supporting the Board of Directors in the performance of its duties.

At the executive level, the Chief Risk Officer (CRO) is responsible for the continuous and integrated management of risks, under the monitoring of the Risk Committee.

The internal audit function is mandated in providing an independent assessment of the activities, systems, models and procedures developed at the Institution, allowing the senior management's evaluation of the adequacy of controls, effectiveness of risk management, and compliance with internal standards and regulatory requirements.

A report describing the risk and capital management framework and the risk management report - Tier III are available on Bancoob's website ([www.bancoob.com.br](http://www.bancoob.com.br)).

### a. Credit risk

Credit risk arises from the uncertainty about a counterparty's ability to honor its commitments. Bancoob's credit risk management is linked to the Institutional Policy for Credit Risk Management, which defines consistent procedures, metrics and actions for all Sicoob entities.

As the entity responsible for the credit risk management of the group companies and the sponsored foundation, Bancoob standardizes processes, establishes methodologies to assess the risk posed by counterparties and transactions, and monitors the assets that involve credit risk.

In order to mitigate credit risk, Bancoob makes use of risk analysis and rating models based on quantitative and qualitative data, to support the risk calculation process and the establishment of credit limits for borrowers, with a view to maintaining the high quality of its portfolio. Bancoob's models are periodically tested in order to ensure that they are consistent with the economic and financial condition of the borrowers. Default on the portfolio and the respective ratings assigned to the operations are also monitored, in accordance with CMN Resolution 2,682/1999.

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The credit risk management framework is structured through the following procedures:

- a) definition of policies and strategies, including risk limits;
- b) validation of systems, models and internal procedures;
- c) estimates (using consistent and prudent criteria) of losses associated with credit risk, and comparison between the estimated and actually incurred losses;
- d) specific monitoring of related-party transactions;
- e) procedures for monitoring loan portfolios;
- f) identification and treatment of troubled assets;
- g) systems, routines and procedures to identify, measure, assess, monitor, report, control and mitigate the exposure to credit risk;
- h) monitoring and reporting of risk appetite limits;
- i) periodic submission of managerial information to the governance bodies;
- j) area responsible for the calculation and projection of the regulatory capital required, and for the adequate level of the provision for expected credit losses;
- k) models to assess the counterparty credit risk, according to the transaction and the public involved, which take into consideration specific characteristics of the borrowers, as well as industry-related and macroeconomic matters;
- l) application of stress tests identifying and assessing the Institution's potential vulnerabilities;
- m) establishment of credit limits for each counterparty and overall limits by portfolio or credit line;
- n) model to assess the impact of an extreme risk scenario on the provision for credit risk losses, regulatory capital and Basel ratio; and
- o) specific risk assessment for new products and services.

Internal credit risk management standards include the organizational and regulatory framework, risk rating models for borrowers and operations, overall and individual limits, use of computer systems, and system-based monitoring to validate models and compliance of processes.

### **b. Market risks and interest rate risks**

Bancoob has adopted the Market Risk Management Policy, which sets out procedures, metrics, and standardized actions to be followed by all the entities that comprise Sicoob.

Bancoob's framework for managing market and interest rate risks is consistent with the nature of its operations and the complexity of the products and services it offers, as well as proportional to its exposure to risks.

The management of market and interest rate risks requires the adoption of the following procedures:

- a) monitoring, through periodic reports sent to the governance bodies, committees and senior management, addressing at least:
  - a.1) value at Risk - VaR of the treasury portfolio;
  - a.2) Economic Value of Equity (EVE) and Net Interest Income (NII);
  - a.3) analysis of mismatches to assess the impact on the financial margin;
  - a.4) maximum limits of exposure to market and interest rate risks;
  - a.5) application of stress scenarios;
  - a.6) definition of contingency plans;
- b) preparation of reports that allow for the timely identification and correction of control weaknesses and management of market and interest rate risks;

## Management Report

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- c) existence of a contingency plan containing the strategies to be adopted to ensure the continuity of activities and to limit losses arising from market risks and interest rate variation risks.

Bancoob's market risk management framework is based on good practices and consolidated valuation models. Market risk is calculated through the use of standard methodologies that are based on existing risk factors for the instruments classified in the trading portfolio.

For the market risk portions RWAjur1, RWAjur2, RWAjur3, RWAjur4, RWAcam, RWAcum, and RWAacs, Bancoob uses standardized methodologies based on the regulations of the Brazilian Central Bank.

The interest rate risk of the banking portfolio (IRRBB) is managed through the use of good practices and consolidated assessment models. The Bank adopts standardized procedures for the identification of risk factors, establishment of risk limits, and performance of stress testing.

Bancoob measures and controls the risk of variation in interest rates of the banking portfolio (IRRBB) using the Economic Value of Equity (EVE) and Net Interest Income (NII) methodologies, which measure the impacts arising from variation in interest rates on the economic value of equity and on income from financial intermediation of assets and liabilities held by the Institution, respectively, considering the application of simultaneous upward and downward shifts in the interest curve.

Stress tests are performed daily, with the aim of assessing the possibility of losses resulting from sharp fluctuations in the prices of assets and enabling the adoption of preventive measures.

#### c. Liquidity risk

Bancoob has adhered to the following policies: Institutional Policy for Financial Centralization Management, and Institutional Policy for Liquidity Risk Management. These policies set out standard procedures, metrics and actions to be followed by all the entities that comprise Sicoob.

Bancoob's liquidity risk management framework is consistent with the nature of its operations and the complexity of the products and services it offers, as well as proportional to its exposure to risks.

The management of liquidity risks requires the adoption of the following procedures:

- a) monitoring, through periodic reports sent to the governance bodies, committees and senior management, addressing at least:
  - a.1) minimum liquidity limit;
  - a.2) projected cash flow;
  - a.3) application of stress scenarios;
  - a.4) definition of contingency plans;
- b) performance of tests to assess the systems that control liquidity risk;
- c) preparation of reports that allow for the timely identification and correction of control weaknesses and management of liquidity risks;
- d) existence of a contingency plan containing the strategies to be adopted to ensure the continuity of activities and to limit losses arising from liquidity risks.

In managing liquidity risk, procedures for identification of short- and long-term risks are adopted, considering possible impacts on the liquidity of the Bancoob Group.

Quarterly stress tests are performed for various scenarios, with a view to identifying any deficiencies and atypical situations that could compromise the Bank's liquidity.

As a control mechanism to assess the effectiveness of the contingency plan, the main measures are tested, on a quarterly basis, to evaluate the liquidity generation capacity.



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## d. Operational and reputational risks

The guidelines for managing operational risks are set out in Sicoob's Institutional Policy for Operational Risk Management, approved by the Executive Board and the Board of Directors.

The operational risk management process consists of qualitative and quantitative assessments of operational risks through stages that involve the identification, assessment, treatment, documentation, and storage of information on operational losses incurred and recovered, and the performance of tests on control, communication and information systems.

Operational losses are reported to the Operational Risk and Business Continuity Management (GCN) department, which interacts with the managers of the respective areas and formally identifies the causes of losses, adjusts the controls in place, and determines the need for improving processes, which may require the implementation of new controls.

The results are submitted to the Executive Board, Board of Directors and the Statutory Audit Board.

The capital allocation methodology used to compute the portion of operational risk (RWAopad) is the Basic Indicator Approach (BIA).

Reputational risk is managed by monitoring communication channels of the Institution (Ombudsman's Office, Customer Support Service - SAC), of the Brazilian Central Bank (On-line Demand Registration System - Citizen Module - RDR), as well as publicly available communication channels (such as the customer complaint website "Reclame Aqui" and social media).

## e. Social and environmental risk

The guidelines for socio-environmental risk management are set out in Sicoob's Institutional Policy for Socio-Environmental Responsibility (PRSA), approved by the Executive Board and the Board of Directors.

For the eligibility of operations, the process of socio-environmental risk management includes the evaluation of potentially negative impacts, including in relation to reputational risk, such as:

- a) sectors at greater exposure to socio-environmental risk;
- b) credit lines and borrowing facilities at greater exposure to socio-environmental risk;
- c) amount of debt balance in lending operations at greater exposure to socio-environmental risk.

The proposals of counterparties fined for environmental crimes are reviewed by a specific approval level.

The Bank does not carry out transactions with counterparties included in the list of employers that have subjected workers to slavery-like conditions, or exploited child labor.

## f. Compliance risk

The guidelines for managing compliance risk are set out in the Compliance Policy approved by the Executive Board and the Board of Directors.

Bancoob has employees exclusively dedicated to the implementation of this policy and its specific procedures, who also act as consultants in charge of providing the information required for the effective implementation of the compliance process.

## g. Strategy risk

Bancoob's rolls out its strategy of adding competitive advantages to Sicoob's credit unions by acting as a managing system in relation to the following platforms:

- ✓ Payments;
- ✓ Credit;

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- ✓ Management of third-party funds;
- ✓ Financial centralization;
- ✓ Social security;
- ✓ Insurance;
- ✓ Cards;
- ✓ Acquiring products;
- ✓ Consortia (a purchasing pool through which members pay monthly installments for a specific item (e.g. a car) so that every month the group can afford to buy one item without resorting to external financing, which is then awarded to one of the group members through a lottery);
- ✓ Digitalization;
- ✓ Investments;
- ✓ Foreign exchange and foreign trade;
- ✓ Agribusiness derivatives.

## **h. Business Continuity Risk**

The related guidelines are set out in Sicoob's Institutional Policy for Business Continuity Management, approved by the Executive Board and the Board of Directors.

The process of business continuity management requires the performance of the following activities:

- a) identification of the possibility of stoppage of activities;
- b) assessment of the results and consequences (potential impacts) to the entity that may arise from the stoppage of activities;
- c) definition of the strategy to recover from potential incidents;
- d) planned continuity of operations (assets, including people, processes and systems), including procedures for the periods before, during and after the stoppage;
- e) transition between the contingency and the resumption of the normal course of business (end of the event).

## **i. Money Laundering Risk**

The related guidelines are set out in the Sicoob's Institutional Policy for Prevention of Money Laundering and Terrorism Financing, approved by the Executive Board and the Board of Directors.

Bancoob's Anti-Money Laundering/Terrorism Financing (AML/TF) process has the purpose of detecting atypical behaviors, situations, and transactions, through information provided by the System for Prevention of Money Laundering and Terrorism Financing.

The AML/TF process comprises the following stages:

- a) Monitoring;
- b) Selection;
- c) Recording, assessment and due diligence;
- d) Reporting to the Brazilian Council for Financial Activities Control (COAF);
- e) Issue of managerial reports.

The prevention of money laundering and terrorism financing aims to mitigate the risk of illegal acts being committed within Sicoob's framework, as well as to protect its image/reputation.

## **j. Cyber Security Risk**

The guidelines for managing cyber security risk are set out in the Bank's Institutional Policy for Cyber Security, approved by the Executive Board and the Board of Directors.

The cyber security risk management process requires the performance of the following activities:

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- a) definition of cyber security guidelines addressing the Bank's ability to prevent, detect and reduce the vulnerability to incidents related to the cyber environment;
- b) protection of the information under the responsibility of the companies, by preserving its confidentiality, integrity, availability and authenticity;
- c) prevention of potential interruptions, either total or partial, of the IT services accessed by the companies and clients/credit union members, and, in the event of an interruption, mitigation of the resulting impacts;
- d) handling and prevention of cyber security incidents;
- e) education and training of the human resources required for the cyber security area;
- f) promotion of an exchange of knowledge between the various financial institutions and public agencies and entities on the topic of cyber security;
- g) establishment of an incident response action plan which is reviewed annually;
- h) definition of information classification guidelines, kept in electronic or physical format, in accordance with the protection measures expected in terms of secrecy, value, legal requirements, sensitivity and business needs, so as to ensure the confidentiality, integrity and availability of the data and information systems used.

## II. Capital management

At the Bancoob Group, capital management is an ongoing forward-looking process that aims to assess the capital requirements of its institutions, considering the Group's strategic goals for a minimum period of three years.

The Bank's guidelines for the monitoring and ongoing control of capital are included in Sicoob's Institutional Policy for Capital Management, to which the Bancoob Group formally adhered, following a decision of its Board of Directors.

The capital management process comprises a set of methodologies that enable the Bancoob Group to identify, assess and control major exposures, so as to maintain its capital at a level consistent with the risks incurred by its institutions. The Group has a specific capital plan that provides for capital targets and forecasts that consider strategic goals for a minimum period of three years, the main sources of capital, and a contingency plan. Additionally, severe events and extreme market conditions are simulated, and the related results and impacts on the capital framework are submitted to the Executive Board and Board of Directors.

The capital management process is annually reviewed by the Internal Audit function.

In compliance with CMN Resolution 4,557/2017, a report describing the risk and capital management framework and the risk management report - Tier III are available on Bancoob's website ([www.bancoob.com.br](http://www.bancoob.com.br)).

## Equity and profit for the year

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At December 31, 2020, consolidated equity totaled R\$ 2.04 billion, up 5.78% over the previous year.

Consolidated profit for the year amounted to R\$ 162.01 million, with an annualized return on average equity of 8.43%.

# Management Report

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## Acknowledgments

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We would like to thank our shareholders for the trust placed in our management; Sicoob Confederation and the central and individual credit unions for their cooperation towards the achievement of Sicoob's goals; our external partners for their confidence in the solutions offered by the Bancoob Group and Sicoob Previ Foundation; and the employees of the Bank, its subsidiaries and the sponsored foundation for their unwavering dedication.

The Management

# Balance sheet

## December 31, 2020 and 2019

(A free translation of the original in Portuguese)

All amounts in thousands of reais unless otherwise stated

Assets	Note	Bank		Consolidated	
		12/31/2020	12/31/2019	12/31/2020	12/31/2019
<b>Current and non-current assets</b>		<b>76,269,420</b>	<b>53,776,026</b>	<b>76,264,539</b>	<b>53,796,347</b>
<b>Available funds</b>	<b>4(a)</b>	<b>27,245,919</b>	<b>11,082,740</b>	<b>27,245,927</b>	<b>11,082,748</b>
<b>Compulsory deposits with the Brazilian Central Bank</b>	<b>7</b>	<b>1,518,597</b>	<b>1,281,858</b>	<b>1,518,597</b>	<b>1,281,858</b>
<b>Financial instruments</b>	<b>8</b>	<b>37,078,615</b>	<b>32,868,801</b>	<b>37,132,633</b>	<b>32,916,141</b>
<b>Marketable securities</b>		<b>17,436,512</b>	<b>18,006,620</b>	<b>17,490,529</b>	<b>18,053,959</b>
<b>Bank's own portfolio</b>		<b>4,974,972</b>	<b>7,037,456</b>	<b>5,028,989</b>	<b>7,084,795</b>
Government securities		3,535,177	5,811,261	3,559,789	5,833,688
Private securities		1,388,529	1,175,628	1,388,882	1,176,878
Investment fund shares		51,266	50,567	80,318	74,229
<b>Subject to repurchase agreements</b>		<b>6,812,656</b>	<b>3,952,540</b>	<b>6,812,656</b>	<b>3,952,540</b>
Government securities		6,812,656	3,952,540	6,812,656	3,952,540
<b>Linked to the provision of guarantees</b>		<b>5,648,831</b>	<b>7,016,502</b>	<b>5,648,831</b>	<b>7,016,502</b>
Government securities		5,613,943	6,827,911	5,613,943	6,827,911
Private securities		34,888	188,591	34,888	188,591
<b>Derivative financial instruments</b>		<b>53</b>	<b>122</b>	<b>53</b>	<b>122</b>
<b>Interbank deposits</b>	<b>6</b>	<b>888,827</b>	<b>754,033</b>	<b>888,827</b>	<b>754,033</b>
<b>Interbank onlendings and lending operations</b>		<b>18,753,276</b>	<b>14,108,148</b>	<b>18,753,276</b>	<b>14,108,148</b>
Interbank onlendings	9(a)	11,883,497	8,961,086	11,883,497	8,961,086
Lending operations	9(a)	6,990,631	5,243,171	6,990,631	5,243,171
(-) Provision for expected credit losses	9(g)	(120,852)	(96,109)	(120,852)	(96,109)
<b>Other assets</b>	<b>22(a)</b>	<b>9,863,776</b>	<b>8,144,418</b>	<b>9,941,387</b>	<b>8,208,445</b>
Payment transactions	22 (a1)	9,476,361	7,797,261	9,516,182	7,836,577
Foreign exchange portfolio	22 (a2)	187	8,060	187	8,060
Income receivable		14,558	15,554	21,556	21,019
Other	22 (a3)	444,775	377,283	475,567	396,530
(-) Provisions for other assets		(72,105)	(53,741)	(72,105)	(53,741)
<b>Deferred tax assets</b>	<b>10</b>	<b>237,459</b>	<b>161,178</b>	<b>237,742</b>	<b>161,473</b>
<b>Equity in the results of associates and subsidiaries</b>	<b>11</b>	<b>258,916</b>	<b>164,391</b>	<b>106,090</b>	<b>54,079</b>
Subsidiaries and associates		258,916	164,391	106,090	54,079
<b>Property and equipment</b>	<b>12</b>	<b>64,661</b>	<b>70,941</b>	<b>73,849</b>	<b>82,961</b>
Property and equipment in use		110,643	110,002	136,332	134,924
(-) Accumulated depreciation		(45,982)	(39,061)	(62,483)	(51,963)
<b>Intangible assets</b>	<b>13</b>	<b>1,477</b>	<b>1,700</b>	<b>8,315</b>	<b>8,643</b>
Software usage rights		10,020	9,544	30,190	26,935
(-) Accumulated amortization		(8,543)	(7,844)	(21,875)	(18,292)
<b>Total assets</b>		<b>76,269,420</b>	<b>53,776,026</b>	<b>76,264,539</b>	<b>53,796,347</b>

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

# Balance sheet

## December 31, 2020 and 2019

(A free translation of the original in Portuguese)

All amounts in thousands of reais unless otherwise stated

Liabilities and equity	Note	Bank		Consolidated	
		12/31/2020	12/31/2019	12/31/2020	12/31/2019
<b>Current and non-current liabilities</b>		<b>74,232,739</b>	<b>51,859,694</b>	<b>74,227,230</b>	<b>51,870,306</b>
<b>Financial liabilities</b>		<b>66,138,506</b>	<b>45,024,326</b>	<b>65,807,227</b>	<b>44,879,132</b>
Deposits	14(a)	55,539,977	37,882,224	55,208,698	37,737,030
Repurchase agreement obligations	15	6,779,022	3,940,599	6,779,022	3,940,599
Funds from acceptance of bills of exchange, real estate and mortgage notes, debentures, and similar items	16	52,376	111,639	52,376	111,639
Borrowings and onlendings	17(a)	3,767,130	3,089,778	3,767,130	3,089,778
Derivative financial instruments	18	1	86	1	86
<b>Provisions</b>		<b>14,865</b>	<b>14,066</b>	<b>15,174</b>	<b>14,344</b>
Provision for contingencies	19(a)	14,670	13,815	14,979	14,094
Provisions for guarantees	19(b)	195	250	195	250
<b>Other liabilities</b>	<b>22(b)</b>	<b>8,079,296</b>	<b>6,820,847</b>	<b>8,404,757</b>	<b>6,976,376</b>
Payment transactions	22 (b1)	7,341,871	6,007,963	7,437,397	6,089,923
Social and statutory obligations and payments pending settlement		14,189	19,742	16,023	21,295
Tax and social security obligations	22 (b2)	100,167	139,886	128,815	159,317
Foreign exchange portfolio	22 (b3)	187	8,070	187	8,070
Other	22 (b4)	622,882	645,186	822,335	697,771
<b>Deferred tax liabilities</b>		<b>72</b>	<b>454</b>	<b>72</b>	<b>454</b>
Other deferred tax liabilities		72	454	72	454
<b>Total liabilities</b>		<b>74,232,739</b>	<b>51,859,693</b>	<b>74,227,230</b>	<b>51,870,306</b>
<b>Equity</b>	<b>20</b>	<b>2,036,681</b>	<b>1,916,333</b>	<b>2,037,309</b>	<b>1,926,041</b>
Share capital		1,864,332	1,742,770	1,864,332	1,742,770
Capital reserves		51	51	51	51
Revenue reserve		218,378	172,831	218,378	172,831
Other comprehensive income (loss)		(46,080)	681	(46,080)	681
<b>Non-controlling interests</b>		<b>-</b>	<b>-</b>	<b>628</b>	<b>9,708</b>
<b>Total liabilities and equity</b>		<b>76,269,420</b>	<b>53,776,026</b>	<b>76,264,539</b>	<b>53,796,347</b>

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

# Statement of income

## December 31, 2020 and 2019

(A free translation of the original in Portuguese)

All amounts in thousands of reais unless otherwise stated

	Note	Bank				Consolidated	
		Years		2nd six-month period		Years	
		2020	2019	2020	2019	2020	2019
<b>Income from financial intermediation</b>		<b>2,201,998</b>	<b>2,906,705</b>	<b>1,050,854</b>	<b>1,441,290</b>	<b>2,202,869</b>	<b>2,908,534</b>
Lending operations	9 (h)	1,086,740	1,093,184	552,003	561,901	1,086,740	1,093,184
Gains on marketable securities	8(c)	1,084,582	1,763,933	487,234	854,307	1,085,453	1,765,763
Gains (losses) on derivative financial instruments	8(c)	(7,808)	(441)	(1,199)	(815)	(7,808)	(441)
Gains on foreign exchange transactions	22(c)	9,042	2,623	1,423	1,669	9,042	2,623
Gains on compulsory investments		29,442	47,405	11,393	24,227	29,442	47,405
<b>Expenses with financial intermediation</b>		<b>(1,539,210)</b>	<b>(2,402,839)</b>	<b>(689,118)</b>	<b>(1,164,304)</b>	<b>(1,533,260)</b>	<b>(2,394,977)</b>
Money market funding	14(b)	(1,354,694)	(2,216,460)	(592,124)	(1,068,746)	(1,350,194)	(2,208,597)
Borrowings and onlendings	17(b)	(127,203)	(114,026)	(69,058)	(56,830)	(127,203)	(114,026)
Provision for expected credit losses	9(g)	(57,313)	(72,353)	(27,936)	(38,729)	(55,863)	(72,353)
<b>Gross profit from financial intermediation</b>		<b>662,788</b>	<b>503,864</b>	<b>361,736</b>	<b>276,986</b>	<b>669,609</b>	<b>513,557</b>
<b>Operating income</b>		<b>1,378,645</b>	<b>1,444,064</b>	<b>708,997</b>	<b>725,280</b>	<b>1,618,732</b>	<b>1,643,698</b>
Income from services rendered	22(d)	976,305	1,059,138	503,668	532,654	1,243,464	1,271,292
Income from banking fees	22(d)	54	61	23	29	54	61
Equity in the results of subsidiaries and associates	11	71,367	41,844	37,482	17,407	35,258	24,057
Other operating income	22(e)	330,919	343,021	167,824	175,189	339,956	348,288
<b>Operating expenses</b>		<b>(1,836,554)</b>	<b>(1,750,337)</b>	<b>(961,987)</b>	<b>(931,232)</b>	<b>(2,059,207)</b>	<b>(1,943,856)</b>
Personnel expenses	22(f)	(143,986)	(132,908)	(74,380)	(69,795)	(220,729)	(198,311)
Administrative expenses	22(g)	(269,626)	(265,701)	(147,826)	(144,748)	(444,569)	(300,388)
Taxes		(132,944)	(127,026)	(68,963)	(65,279)	(166,152)	(153,404)
Other operating expenses	22 (h)	(1,289,998)	(1,224,702)	(670,818)	(651,410)	(1,227,757)	(1,291,753)
<b>Operating income</b>		<b>204,879</b>	<b>197,591</b>	<b>108,746</b>	<b>71,034</b>	<b>229,134</b>	<b>213,399</b>
<b>Non-operating income (expenses)</b>	22 (i)	<b>3,876</b>	<b>(2,125)</b>	<b>(1,895)</b>	<b>(1,113)</b>	<b>3,854</b>	<b>(2,119)</b>
<b>Profit before taxation and profit sharing</b>		<b>208,755</b>	<b>195,466</b>	<b>106,851</b>	<b>69,921</b>	<b>232,988</b>	<b>211,280</b>
<b>Income tax and social contribution</b>	10	<b>(34,794)</b>	<b>(54,756)</b>	<b>(29,193)</b>	<b>(16,351)</b>	<b>(56,193)</b>	<b>(67,559)</b>
Provision for income tax	10(e)	(40,960)	(69,906)	1,487	(31,781)	(55,067)	(78,292)
Provision for social contribution	10(e)	(32,342)	(44,148)	(372)	(20,947)	(39,621)	(48,568)
Deferred tax assets	10(e)	38,508	59,297	(30,308)	36,377	38,495	59,301
<b>Statutory profit sharing</b>		<b>(12,929)</b>	<b>(12,749)</b>	<b>(7,988)</b>	<b>(7,430)</b>	<b>(14,781)</b>	<b>(14,272)</b>
<b>Finance income (costs), net</b>		<b>161,032</b>	<b>127,961</b>	<b>69,670</b>	<b>46,139</b>	<b>162,014</b>	<b>129,449</b>
<b>Number of shares</b>		<b>1,003,744,529</b>	<b>943,870,276</b>	<b>1,003,744,529</b>	<b>943,870,276</b>	<b>1,003,744,529</b>	<b>943,870,276</b>
<b>Earnings per share</b>		<b>160.43</b>	<b>135.57</b>	<b>69.41</b>	<b>48.88</b>	<b>161.41</b>	<b>137.15</b>
<b>Profit attributable to the parent company</b>						<b>161,032</b>	<b>127,961</b>
<b>Profit attributable to non-controlling interests</b>						<b>982</b>	<b>1,489</b>

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

# Statement of comprehensive income

December 31, 2020 and 2019

(A free translation of the original in Portuguese)

All amounts in thousands of reais unless otherwise stated

	Bank				Consolidated		
	Note	Years		2nd six-month period		Years	
		2020	2019	2020	2019	2020	2019
Profit for the year		161,032	127,961	69,670	46,139	162,014	129,449
Other comprehensive income (loss)							
Items that will be reclassified to profit or loss		(46,761)	(678)	(40,736)	3,325	(46,761)	(678)
Adjustments to securities		(84,917)	(1,130)	(74,066)	3,057	(84,917)	(1,130)
Tax effects		38,156	452	33,330	268	38,156	452
Other comprehensive income for the six-month period/year, net of taxes		114,271	127,283	28,934	49,464	115,253	128,771
Total comprehensive income for the six-month period/ year		114,271	127,283	28,934	49,464	115,253	128,771
Profit attributable to the parent company		114,271	127,283	28,934	49,464	114,271	128,642
Profit attributable to non-controlling interests						982	1,489

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



# Statement of changes in equity

## December 31, 2020 and 2019

(A free translation of the original in Portuguese)

All amounts in thousands of reais unless otherwise stated

	Note	Share capital	Increase in share capital	(-) Unpaid share capital	Capital reserve	Revenue reserve	Adjustment to market value	Retained earnings	Treasury shares	Attributable to the Parent Company	Attributable to non-controlling interests	Total
<b>At December 31, 2018</b>		<b>1,525,152</b>	-	-	<b>51</b>	<b>257,685</b>	<b>1,359</b>	-	-	<b>1,784,247</b>	<b>8,220</b>	<b>1,792,467</b>
<b>Profit for the year</b>		-	-	-	-	-	-	-	-	-	<b>1,488</b>	<b>1,488</b>
Items that will be reclassified to profit or loss, net of tax effects		-	-	-	-	-	(678)	-	-	(678)	-	(678)
<b>Total comprehensive income (loss) for the year</b>		-	-	-	-	-	<b>(678)</b>	-	-	<b>(678)</b>	<b>1,488</b>	<b>810</b>
Increase in share capital		217,618	(217,618)	-	-	-	-	-	-	-	-	-
Unpaid share capital		-	-	(217,618)	-	-	-	-	-	(217,618)	-	(217,618)
Payment of capital		-	217,618	217,618	-	-	-	-	-	435,236	-	435,236
Proposed dividends from previous years		-	-	-	-	(206,737)	-	-	-	(206,737)	-	(206,737)
<b>Profit for the year</b>		-	-	-	-	-	-	<b>127,961</b>	-	127,961	-	<b>127,961</b>
<b>Proposed appropriations:</b>												
Legal reserve		-	-	-	-	6,398	-	(6,398)	-	-	-	-
Revenue reserve		-	-	-	-	115,485	-	(115,485)	-	-	-	-
Proposed dividends	20(d)	-	-	-	-	-	-	(6,078)	-	(6,078)	-	(6,078)
<b>At December 31, 2019</b>		<b>1,742,770</b>	-	-	<b>51</b>	<b>172,831</b>	<b>681</b>	-	-	<b>1,916,333</b>	<b>9,708</b>	<b>1,926,041</b>
<b>Changes in the year</b>		<b>217,618</b>	-	-	-	<b>(84,854)</b>	-	-	-	<b>132,764</b>	-	<b>132,764</b>
<b>At December 31, 2019</b>		<b>1,742,770</b>	-	-	<b>51</b>	<b>172,831</b>	<b>681</b>	-	-	<b>1,916,333</b>	<b>9,708</b>	<b>1,926,041</b>
<b>Sale of equity interest</b>		-	-	-	-	-	-	-	-	-	<b>(10,062)</b>	<b>(10,062)</b>
<b>Profit for the year</b>		-	-	-	-	-	-	-	-	-	<b>982</b>	<b>982</b>
Items that will be reclassified to profit or loss, net of tax effects		-	-	-	-	-	(46,761)	-	-	(46,761)	-	(46,761)
<b>Total comprehensive income (loss) for the year</b>		-	-	-	-	-	<b>(46,761)</b>	-	-	<b>(46,761)</b>	<b>982</b>	<b>(45,779)</b>
Increase in share capital		121,562	(217,618)	-	-	-	-	-	-	(96,056)	-	(96,056)
Unpaid share capital		-	-	(121,562)	-	-	-	-	-	(121,562)	-	(121,562)
Payment of capital		-	217,618	121,562	-	-	-	-	-	339,180	-	339,180
Proposed dividends from previous years		-	-	-	-	(115,485)	-	-	-	(115,485)	-	(115,485)
<b>Profit for the period</b>		-	-	-	-	-	-	<b>161,032</b>	-	161,032	-	<b>161,032</b>
<b>Proposed appropriations:</b>												
Legal reserve		-	-	-	-	8,052	-	(8,052)	-	-	-	-
Revenue reserve		-	-	-	-	145,331	-	(145,331)	-	-	-	-
Proposed dividends	20(d)	-	-	-	-	7,649	-	(7,649)	-	-	-	-

## Statement of changes in equity

### December 31, 2020 and 2019

(A free translation of the original in Portuguese)

<b>At December 31, 2020</b>	<b>1,864,332</b>	-	-	<b>51</b>	<b>218,378</b>	<b>(46,080)</b>	-	-	<b>2,036,681</b>	<b>628</b>	<b>2,037,309</b>
<b>Changes in the year</b>	<b>121,562</b>	-	-	-	<b>45,547</b>	-	-	-	<b>167,109</b>	-	<b>167,109</b>
<b>At June 30, 2020</b>	<b>1,864,332</b>	-	-	<b>51</b>	<b>148,708</b>	<b>(5,344)</b>	-	-	<b>2,007,747</b>	<b>10,598</b>	<b>2,018,345</b>
<b>Sale of equity interest</b>	-	-	-	-	-	-	-	-	-	<b>(10,062)</b>	<b>(10,062)</b>
<b>Profit for the year</b>	-	-	-	-	-	-	-	-	-	<b>92</b>	<b>92</b>
Items that will be reclassified to profit or loss, net of tax effects	-	-	-	-	-	<b>(40,736)</b>	-	-	<b>(40,736)</b>	-	<b>(40,736)</b>
<b>Total comprehensive income (loss) for the year</b>	-	-	-	-	-	<b>(40,736)</b>	-	-	<b>(40,736)</b>	<b>92</b>	<b>(40,644)</b>
<b>Profit for the period</b>	-	-	-	-	-	-	<b>69,670</b>	-	<b>69,670</b>	-	<b>69,670</b>
<b>Proposed appropriations:</b>											
Legal reserve	-	-	-	-	3,484	-	(3,484)	-	-	-	-
Revenue reserve	-	-	-	-	62,877	-	(62,877)	-	-	-	-
Proposed dividends	20(d)	-	-	-	3,309	-	(3,309)	-	-	-	-
<b>At December 31, 2020</b>	<b>1,864,332</b>	-	-	<b>51</b>	<b>218,378</b>	<b>(46,080)</b>	-	-	<b>2,036,681</b>	<b>628</b>	<b>2,037,309</b>
<b>Changes in the year</b>	-	-	-	-	<b>69,670</b>	-	-	-	<b>69,670</b>	-	<b>69,670</b>

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

# Statement of cash flows

## December 31, 2020 and 2019

(A free translation of the original in Portuguese)

All amounts in thousands of reais unless otherwise stated

	Bank				Consolidated		
	Note	Years		2nd six-month period		Years	
		2020	2019	2020	2019	2020	2019
<b>Cash flows from operating activities</b>							
<b>Adjusted profit</b>		<b>210,219</b>	<b>238,730</b>	<b>106,197</b>	<b>97,817</b>	<b>277,301</b>	<b>278,674</b>
Profit before income tax and social contribution		208,755	195,467	106,851	69,920	232,987	211,280
Provision for expected credit losses		57,476	72,354	27,936	38,728	57,476	72,354
Depreciation and amortization		8,577	8,170	4,314	4,159	15,119	14,314
Equity in the results of subsidiaries		(71,367)	(41,844)	(37,482)	(17,407)	(35,258)	(24,057)
Amortization of goodwill on equity interests in subsidiaries		4,763	2,157	3,473	1,174	4,763	2,157
Provision for tax, labor and civil contingencies		2,015	2,426	1,105	1,243	2,215	2,626
Increase (decrease) in short-term interbank investments		(134,794)	708,885	(222,128)	346,045	(134,794)	708,885
Decrease (increase) in securities		523,347	(5,806,247)	(637,854)	(4,270,730)	516,668	(5,822,081)
Increase in interbank and interdepartmental accounts		(2,256,099)	(89,218)	(2,609,692)	(216,055)	(2,256,616)	(93,481)
Increase in lending operations		(1,773,362)	(1,096,691)	(1,021,060)	(467,422)	(1,773,362)	(1,096,691)
Increase in other receivables		(1,343,261)	(852,504)	(1,775,930)	(903,859)	(1,352,942)	(851,172)
Decrease in other assets		228	7,624	5,083	3,149	192	7,198
Increase in deposits		17,657,753	2,153,468	5,224,832	2,631,568	17,483,103	2,138,114
Increase in repurchase agreement obligations		2,838,423	651,895	2,946,300	(30,004)	2,838,423	651,895
Decrease in funds from acceptance of bills of exchange, real estate and mortgage notes, and debentures		(59,263)	(108,885)	(9,522)	(123,096)	(59,263)	(108,885)
Increase in borrowings and onlendings		677,351	300,076	610,138	223,609	677,352	300,076
Decrease in other obligations		(33,371)	(534,837)	(4,708)	(182,255)	101,730	(532,651)
Income tax and social contribution paid		(114,035)	(94,738)	(114,035)	(94,738)	(117,392)	(94,738)
Change in deferred income		(155)	83	(99)	40	(156)	83
<b>Net cash inflow (outflow) from operating activities</b>		<b>16,192,981</b>	<b>(4,522,359)</b>	<b>2,497,521</b>	<b>(2,985,931)</b>	<b>16,200,244</b>	<b>(4,514,774)</b>
<b>Cash flows from investing activities</b>							
Acquisitions of investments		(51,723)	-	(51,661)	-	(51,723)	-
Dividends received from associates and subsidiaries		23,657	10,686	-	-	20,000	8,000
Disposals of property and equipment in use		18	29	-	-	46	70
Purchases of property and equipment		(1,615)	(4,533)	(105)	(1,544)	(2,469)	(7,586)
Purchases of intangible assets		(476)	(308)	(6)	(130)	(3,255)	(2,424)
<b>Net cash inflow (outflow) from investing activities</b>		<b>(30,139)</b>	<b>5,874</b>	<b>(51,772)</b>	<b>(1,674)</b>	<b>(37,401)</b>	<b>(1,940)</b>
<b>Cash flows from financing activities</b>							
Increase in share capital		121,562	217,618	-	-	121,562	217,618
Payment of dividends		(121,225)	(217,426)	-	-	(121,225)	(217,426)
<b>Net cash inflow from financing activities</b>		<b>337</b>	<b>192</b>	<b>-</b>	<b>-</b>	<b>337</b>	<b>192</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>4</b>	<b>16,163,179</b>	<b>(4,516,293)</b>	<b>2,445,749</b>	<b>(2,987,605)</b>	<b>16,163,180</b>	<b>(4,516,522)</b>
Cash and cash equivalents at the beginning of the six-month period/ year		11,082,740	15,599,032	24,800,170	14,070,344	11,082,747	15,599,269
Cash and cash equivalents at the end of the six-month period/ year		27,245,919	11,082,739	27,245,919	11,082,739	27,245,927	11,082,747

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

(A free translation of the original in Portuguese)

## Notes to the financial statements

December 31, 2020 and 2019

All amounts in thousands of reais unless otherwise stated

### Note 1 - Operations

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Banco Cooperativo do Brasil S.A. ("Bancoob", the "Institution" or the "Bank") is a privately-held corporation located in Brasília, Federal District, established pursuant to Resolution 2,193 of the National Monetary Council (CMN) of August 31, 1995. The Bank was authorized to operate by the Brazilian Central Bank ("Central Bank" or "BACEN") on July 21, 1997 and started operations on September 1, 1997.

On March 29, 2016, the Brazilian Central Bank authorized Bancoob to operate in the real estate loan segment, and the Bank started carrying out these operations on April 1, 2016, becoming a multi-service credit union bank.

Bancoob was created to provide financial, technical and operational services to credit unions, pursuant to Article 88 of Law 5,764/71, and is under the control of central credit unions, which, together with the individual credit unions, comprise the Sistema de Cooperativas de Crédito do Brasil ("Sicoob").

### Note 2 - Presentation of the parent company and consolidated financial statements

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The parent company and consolidated financial statements ("financial statements") are the responsibility of Management and have been prepared based on the accounting guidelines established by the Brazilian Corporation Law, as well as on standards and instructions issued by the National Monetary Council ("CMN") and the Brazilian Central Bank ("BACEN"). Bancoob complies with the provisions of CMN Resolution 4,720/2019 and BACEN Resolution 2/2020.

BACEN Resolution 2/2020, which came into effect on January 1, 2021, revoked BACEN Circular Letter 3,959/2019. From its effective date, this Resolution applies to the preparation, disclosure and submission of the financial statements, including those for the year ended December 31, 2020. Among other requirements, it determined that recurring and non-recurring income (expenses) must be shown separately, in an explanatory note.

The consolidated financial statements include not only the Bank's accounting balances, but also those of Bancoob Distribuidora de Títulos e Valores Mobiliários Ltda., Ponta Administradora de Consórcios Ltda, Cabal Brasil Ltda., and Bancoob Participações em Seguridade S.A. Equity interests, as well receivables and payables, income and expenses between the parent company and the subsidiaries, have been eliminated in the consolidated financial statements.

The Joint Executive Board of Bancoob submitted these financial statements to the Board of Directors, which approved them on February 9, 2021.

### Note 3 - Summary of significant accounting policies

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#### a. Accounting estimates

The preparation of financial statements in accordance with accounting practices adopted in Brazil requires Management to use its judgment to determine and record the accounting estimates, where applicable. Significant items subject to the application of estimates and assumptions include the valuation of the recoverable amount of property and equipment and intangible assets, the provision for expected credit losses, the estimated realization of tax credits, the provision for cash outflows in connection with tax, labor and civil contingencies, and the valuation of securities and derivative financial instruments. The settlement amounts of the transactions may differ from the estimates presented in the financial statements due to inaccuracies inherent in their determination process. The Bank reviews the accounting estimates and assumptions on a half-yearly basis.

## Notes to the financial statements

December 31, 2020 and 2019

All amounts in thousands of reais unless otherwise stated

### b. Determination of results of operations

The results of operations are determined on the accrual basis of accounting.

### c. Foreign currency

Monetary assets denominated in foreign currency were translated into Brazilian reais at the exchange rate in effect on the balance sheet date, and currency translation differences were recorded in the statement of income for the period.

### d. Cash and cash equivalents

Cash and cash equivalents comprise cash in local and foreign currency, and short-term interbank investments whose maturities at the investment date are equal to or lower than 90 days, and subject to an immaterial risk of change in fair value, which are used by Bancoob to manage its short-term obligations (Note 4).

### e. Short-term interbank investments and repurchase agreement obligations

Short-term interbank investments are stated at the amount of the investment or acquisition, plus accrued income up to the balance sheet date. These operations are backed by federal government securities and private securities.

### f. Marketable securities

Marketable securities are classified based on a set of criteria adopted for the registration and valuation of portfolios of securities defined by BACEN Circular Letter 3,068/2001, and on Management's intention, into three specific categories, in accordance with the following recognition criteria:

- i. Trading securities** - securities acquired to be frequently and actively traded, adjusted to market value with a corresponding entry to profit or loss for the period.
- ii. Available-for-sale securities** - securities that are not classified as "trading securities" or "held-to-maturity securities". These securities are adjusted to market value, and the result of the adjustment, net of tax effects, is recorded in a separate account in equity. Gains and losses, where applicable, are recognized in the statement of income.
- iii. Held-to-maturity securities** - securities acquired to be held to maturity, based on financial capacity studies, accounted for at acquisition cost plus any income earned.

The methodology for the marking-to-market of securities was established in compliance with consistent and verifiable criteria, which take into consideration the average trading price on the day of the calculation, or, in the absence thereof, pricing models that reflect the probable net realizable value.

Income from marketable securities, irrespective of the category in which they are classified, is accrued on a daily pro-rata basis, under the exponential or straight-line method, based on the return clauses and acquisition cost distributed over the term of the investment, and recognized directly in the statement of income for the period.

When available-for-sale securities are sold, the difference between the selling price and the initial acquisition cost, adjusted for accrued income, is considered the result of the transaction and recognized on the transaction date within "Gains (losses) on marketable securities".

## Notes to the financial statements

December 31, 2020 and 2019

All amounts in thousands of reais unless otherwise stated

### g. Derivative financial instruments

In compliance with BACEN Circular Letter 3,082/02, derivative financial instruments are valued at market value at least at the time the monthly trial balances and balance sheets are prepared. Any appreciation or depreciation is recognized directly in income or expense accounts for the respective derivative financial instruments.

The methodology for the marking-to-market of derivative financial instruments was established in compliance with consistent and verifiable criteria, which take into consideration the average trading price on the day of calculation, or, in the absence thereof, pricing models that reflect the probable net realizable value in accordance with the characteristics of the derivative.

### h. Provision for expected credit losses

The provision for expected credit losses is calculated based on Management's judgment concerning the risk level, considering the analysis and rating of the borrower and transaction, in compliance with the parameters established in CMN Resolution 2,682/99.

This provision is supported by analyses of outstanding lending operations (current and overdue), in line with internal policies that consider established credit ratings (risk ratings), the expected realization of the loan portfolio, as well as a minimum amount established by the prevailing legislation, based on past experience, the current scenario and future expectations, risks specific to the portfolios, and Management's risk assessment at the time the provision is set up.

Income from lending operations overdue for more than 60 days, irrespective of their risk level, is only recognized in profit or loss after it has been received.

Operations classified as risk level "H" are transferred to the offsetting account, with the corresponding debit entry to the provision account, only six months after their classification into this risk level. Renegotiated operations are maintained at the same risk level in which they were classified before the renegotiation, and operations which had been previously recorded as losses start to be classified as risk level "H". These operations are only transferred to the lowest risk level category after significant amortization has occurred, or when new relevant facts justify a change in their risk classification. Any gains arising from renegotiations are only recognized as income when actually received. The provision for expected credit losses, which is considered sufficient by Management, complies with the minimum requirement established in the aforementioned Resolution, as shown in Note 9g.

### i. Investments

Investments are recorded at acquisition cost, and equity interests in subsidiaries and associates are accounted for under the equity method.

### j. Property and equipment

Property and equipment are recorded at acquisition, formation or construction cost, including interest and other capitalized financial charges. Depreciation is calculated on the straight-line basis, in accordance with the following annual rates, based on the useful lives of the assets: properties in use - 4.70%; equipment in use - 10%; vehicles and data processing equipment - 20%.

Other expenditures are capitalized only when associated with an increase in the economic benefits related to the asset. Any other type of expenditure is expensed in the statement of income when incurred.

Impairment of assets - A loss is recognized if there is clear evidence that the assets are not stated at their recoverable amount.

## Notes to the financial statements

December 31, 2020 and 2019

All amounts in thousands of reais unless otherwise stated

### k. Intangible assets

These correspond to rights acquired in intangible assets that are maintained for or used in the Bank's operations. Intangible assets with a defined useful life are usually amortized on a straight-line basis during an estimated period of economic benefit. Intangible assets comprise software acquired from third parties and are amortized at an annual rate of 20%. Intangible assets are also reviewed for impairment on an annual basis.

### l. Other current and non-current assets

These are stated at net realizable value.

### m. Deposits and money market funding

Funds arising from deposits are stated at the amount raised, plus any accrued income, on a daily pro-rata basis.

### n. Borrowings and onlendings

These are stated at known or determinable amounts, including accrued charges and monetary variations, net of the corresponding unrecognized expenses, where applicable.

### o. Private pension plan

The private pension plan established by Bancoob is of a defined contribution type, and the monthly contributions to the plan are expensed in the statement of income for the period.

### p. Income tax, social contribution, and tax credits

The provision for income tax was set up at the rate of 15%, plus a 10% surtax. The provision for social contribution was set up at the rate of 15% up to February, and at the rate of 20% as from March (pursuant to amendment to Law 103/19), on the taxable income calculated as established by the prevailing tax laws.

Income tax and social contribution credits were calculated in accordance with the aforementioned tax rates. Tax credits are recognized considering the expected generation of future taxable income, over a maximum period of ten years, pursuant to CMN Resolution 3,059/02. The expected generation of future taxable income is supported by a technical study prepared by Management and updated on a half-yearly basis.

### q. Contingent assets and liabilities and legal obligations

Provisions are recognized in the balance sheet when Bancoob has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of funds will be required to settle the obligation. The provisions are recorded based on the best estimates of the risk involved.

**Contingent Assets and Liabilities** - The recognition, measurement and disclosure of provisions and contingent assets and liabilities is carried out in accordance with CMN Resolution 3,823/09, which requires financial institutions and other institutions authorized to operate by BACEN to comply with Technical Pronouncement CPC 25, issued by the Accounting Pronouncements Committee (CPC), as follows:

- **Contingent assets** - Contingent assets are not accounted for, except when collateralized by security interests or final and unappealable court decisions, for which a favorable outcome is virtually certain.

## Notes to the financial statements

December 31, 2020 and 2019

All amounts in thousands of reais unless otherwise stated

Contingent assets for which a favorable outcome is classified as probable are only disclosed in the notes to the financial statements.

- **Contingent liabilities** - Contingent liabilities are recognized based on the opinion of legal advisors, the nature of the lawsuits, similarities with previous proceedings, and the complexity of the lawsuits, when the risk of an unfavorable outcome is classified as probable, generating an outflow of funds to settle the obligation, and the amounts involved can be measured reliably. The lawsuits for which an unfavorable outcome is classified as possible are only disclosed in the notes to the financial statements when considered material on a stand-alone basis.
- **Legal Obligations** - These are obligations that derive from a contract, through implicit or explicit terms, a law or other operation of law, which should be recognized by Bancoob.

### r. Other current and non-current liabilities

These are stated at known or estimated amounts including, where applicable, the corresponding charges and monetary variations incurred.

### s. Technical Accounting Pronouncements - CPCs

The National Monetary Council (CMN) has approved the adoption of the following technical pronouncements issued by CPC, which apply to institutions authorized to operate by BACEN and were adopted in the preparation of these financial statements:

- CPC 00 (R2) - Basic conceptual pronouncement - approved by CMN Resolution 4,144/2012;
- CPC 01 (R1) - Impairment of assets - approved by CMN Resolution 3,566/2008;
- CPC 03 (R2) - Statement of cash flows - approved by CMN Resolution 4,720/2019;
- CPC 05 (R1) - Related-party disclosures - approved by CMN Resolution 4,636/2018;
- CPC 10 (R1) - Share-based payments - approved by CMN Resolution 3,989/2011;
- CPC 23 - Accounting policies, changes in accounting estimates and correction of errors - approved by CMN Resolution 4,007/2011;
- CPC 24 - Events after the reporting period - approved by CMN Resolution 3,973/2011;
- CPC 25 - Provisions, contingent liabilities and contingent assets - approved by CMN Resolution 3,823/2009;
- CPC 33 (R1) - Employee benefits - approved by CMN Resolution 4,424/2015; and
- CPC 46 - Fair value measurement - approved by CMN Resolution 4,748/2019;

Other technical pronouncements issued by CPC will be applied upon approval by the National Monetary Council. However, the following CPCs have been partially adopted by CMN through the issue of the following standards:

- CPC 02 (R2) - Effects of changes in exchange rates and translation of financial statements - Resolution CMN 4,524/2016;
- CPC 04 (R1) - Intangible assets - CMN Resolution 4,534/2016; and
- CPC 27 - Property, plant and equipment - CMN Resolution 4,535/2016.

## Note 4 -Cash and cash equivalents

### a. Balances

Cash and cash equivalents, presented in the statement of cash flows, are broken down as follows:



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Cash	Note	Bank		Consolidated	
		12/31/2020	12/31/2019	12/31/2020	12/31/2019
<b>Available funds</b>	5	<b>32,044</b>	<b>17,383</b>	<b>32,052</b>	<b>17,391</b>
Local currency		322	365	328	370
Bank deposits		-	-	2	3
Non-designated reserves		268	124	268	124
Foreign currency		31,454	16,894	31,454	16,894
<b>Cash equivalents</b>					
Short-term interbank investments (up to 90 days)	6	<b>27,213,875</b>	<b>11,065,357</b>	<b>27,213,875</b>	<b>11,065,357</b>
<b>Total</b>		<b>27,245,919</b>	<b>11,082,740</b>	<b>27,245,927</b>	<b>11,082,748</b>

## Note 5 - Available funds

	Note	Bank		Consolidated	
		12/31/2020	12/31/2019	12/31/2020	12/31/2019
Local currency		322	365	328	370
Bank deposits		-	-	2	3
Non-designated reserves		268	124	268	124
Foreign currency		31,454	16,894	31,454	16,894
<b>Total</b>		<b>32,044</b>	<b>17,383</b>	<b>32,052</b>	<b>17,391</b>

## Note 6 - Short-term interbank investments

### a. Balances

	Note	Bank and Consolidated					Total 12/31/2020	Total 12/31/2019
		Maturity						
		Up to 1 month	From 1 to 3 months	From 3 to 6 months	From 6 to 12 months			
Investments in interbank deposits	4	27,213,875	-	-	-	27,213,875	11,065,357	
Resales pending settlement - own resources		27,213,875	-	-	-	27,213,875	11,065,357	
Investments in interbank deposits		-	10,243	180,889	697,695	888,827	754,033	
<b>Total</b>		<b>27,213,875</b>	<b>10,243</b>	<b>180,889</b>	<b>697,695</b>	<b>28,102,702</b>	<b>11,819,390</b>	
<b>Current</b>						<b>28,102,702</b>	<b>11,819,390</b>	
<b>Non-current</b>						-	-	

### b. Income from short-term interbank investments

Classified in the statement of income as profit or loss arising from transactions with marketable securities.

Income from investments in repurchase agreements	Bank and Consolidated			
	Years		2nd six-month period	
	2020	2019	2020	2019
Own resources	578,588	851,548	299,904	409,771
Third-party resources	11,314	35,447	11,314	6
<b>Subtotal</b>	<b>589,902</b>	<b>886,995</b>	<b>311,218</b>	<b>409,777</b>
Income from investments in interbank deposits	23,026	64,509	8,938	20,432
<b>Total</b>	<b>612,928</b>	<b>951,504</b>	<b>320,156</b>	<b>430,209</b>

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### Note 7 - Compulsory deposits with the Brazilian Central Bank

	Note	Bank and Consolidated	
		12/31/2020	12/31/2019
BACEN - Instant payments		91,729	-
BACEN - Compulsory reserves in cash		6,661	5,597
BACEN - Compulsory payments		1,420,207	1,276,261
<b>Total</b>		<b>1,518,597</b>	<b>1,281,858</b>
Current		1,518,597	1,281,858
Non-current		-	-

### Note 8 - Financial instruments

#### a. Marketable securities

Securities are classified as "available for sale", "trading", and "held to maturity". Their market value was calculated considering the following parameters:

- i. Federal government securities (LTNs, LFTs, NTNs)** - the index disclosed by the Brazilian Association of Capital and Financial Markets Institutions (ANBIMA) is used.
- ii. Investment funds** - the latest price disclosed by the fund's administrator for the subordinated share, which represents the fair value of the fund's net assets, is used.
- iii. Private securities** - are marked to market periodically, using an in-house methodology that first considers the prices available on liquid markets. Alternatively, fair values are calculated based on a method that considers the average spreads (for similar private securities) adopted for the own portfolio, in accordance with the size of the issuer.

Marketable securities, including derivative financial instruments and short-term interbank investments, are under the custody of [B]<sup>3</sup> Brasil Bolsa Balcão and SELIC, except for investment fund shares whose records are kept by the respective administrators.

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Accrued cost (including income earned) and the market values of marketable securities are shown below:

Bank	Note	Maturity					Total at 12/31/2020			Total at 12/31/2019			
		Without defined maturity	Up to 1 month	From 1 to 3 months	From 3 to 6 months	From 6 to 12 months	Over 1 year	Curve value	Market value	Unrealized gain (loss)	Curve value	Market value	Unrealized gain (loss)
<b>I - Available-for-sale securities</b>													
<b>Bank's own portfolio</b>													
Financial Treasury Bills (LFTs)		-	-	141,506	-	-	2,986,391	3,155,961	3,127,897	(28,064)	5,805,208	5,805,471	263
Funds		51,266	-	-	-	-	-	51,266	51,266	-	50,567	50,567	-
Financial Bills (LFs)		-	125,278	71,603	337,013	442,288	225,665	1,203,903	1,201,847	(2,056)	1,165,889	1,166,003	114
<b>Total</b>		<b>51,266</b>	<b>125,278</b>	<b>213,109</b>	<b>337,013</b>	<b>442,288</b>	<b>3,212,056</b>	<b>4,411,130</b>	<b>4,381,010</b>	<b>(30,120)</b>	<b>7,021,664</b>	<b>7,022,041</b>	<b>377</b>
<b>Subject to repurchase agreements</b>													
Financial Treasury Bills (LFTs)		-	-	-	-	82,553	4,673,577	4,790,462	4,756,130	(34,332)	3,952,246	3,952,540	294
<b>Total</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>82,553</b>	<b>4,673,577</b>	<b>4,790,462</b>	<b>4,756,130</b>	<b>(34,332)</b>	<b>3,952,246</b>	<b>3,952,540</b>	<b>294</b>
<b>Linked to the provision of guarantees</b>													
Financial Bills (LFs)		-	-	-	-	34,888	-	34,913	34,888	(25)	188,639	188,591	(48)
Financial Treasury Bills (LFTs)		-	-	1,003,496	-	182,504	4,427,943	5,633,247	5,613,943	(19,304)	6,827,399	6,827,911	512
<b>Total</b>		<b>-</b>	<b>-</b>	<b>1,003,496</b>	<b>-</b>	<b>217,392</b>	<b>4,427,943</b>	<b>5,668,160</b>	<b>5,648,831</b>	<b>(19,329)</b>	<b>7,016,038</b>	<b>7,016,502</b>	<b>464</b>
<b>II - Trading securities</b>													
<b>Bank's own portfolio</b>													
Rural Producer Notes (CPRs)		654	-	-	-	-	-	656	654	(2)	16,137	15,537	(600)
Financial Treasury Bills (LFTs)		601	-	-	-	-	-	603	601	(2)	10,225	9,625	(600)
<b>Total</b>		<b>601</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>603</b>	<b>601</b>	<b>(2)</b>	<b>16,015</b>	<b>15,415</b>	<b>(600)</b>
<b>Derivative financial instruments</b>													
Futures - CPRs		-	-	-	-	-	-	-	-	-	5	5	-
Futures - Foreign Exchange		53	-	-	-	-	-	53	53	-	117	117	-
<b>Total</b>		<b>53</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>53</b>	<b>53</b>	<b>-</b>	<b>122</b>	<b>122</b>	<b>-</b>
<b>III - Held-to-maturity securities</b>													
<b>Bank's own portfolio</b>													
Financial Treasury Bills (LFTs)		-	-	-	-	24,237	2,625,650	2,658,635	2,649,887	(8,748)	-	-	-
Financial Rural Producer Notes (CPRFs) - Floating rate		-	-	-	-	7,656	118,377	126,033	126,033	-	-	-	-
CPRFs - Fixed rate		-	-	-	-	16,581	43,467	68,796	60,048	(8,748)	-	-	-
<b>Total</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>24,237</b>	<b>569,124</b>	<b>602,109</b>	<b>593,361</b>	<b>(8,748)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Subject to repurchase agreements</b>													
Financial Treasury Bills (LFTs)		-	-	-	-	-	2,056,526	2,056,526	2,056,526	-	-	-	-
<b>Total</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,056,526</b>	<b>2,056,526</b>	<b>2,056,526</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total - marketable securities</b>		<b>51,920</b>	<b>125,278</b>	<b>1,216,605</b>	<b>337,013</b>	<b>766,470</b>	<b>14,939,226</b>	<b>17,529,043</b>	<b>17,436,512</b>	<b>(92,531)</b>	<b>18,006,085</b>	<b>18,006,620</b>	<b>535</b>
<b>Current</b>												<b>2,497,286</b>	<b>6,241,767</b>
<b>Non-current</b>												<b>14,939,226</b>	<b>11,764,853</b>

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Accrued cost (including income earned) and the market values of marketable securities are shown below:

Consolidated	Note	Maturity					Total at 12/31/2020			Total at 12/31/2019			
		Without defined maturity	Up to 1 month	From 1 to 3 months	From 3 to 6 months	From 6 to 12 months	Over 1 year	Curve value	Market value	Unrealized gain (loss)	Curve value	Market value	Unrealized gain (loss)
<b>I - Available-for-sale securities</b>		<b>80,318</b>	<b>125,278</b>	<b>1,216,605</b>	<b>337,013</b>	<b>742,911</b>	<b>12,337,863</b>	<b>14,923,769</b>	<b>14,839,988</b>	<b>(83,781)</b>	<b>18,037,287</b>	<b>18,038,422</b>	<b>1,135</b>
<b>Bank's own portfolio</b>													
Financial Treasury Bills (LFTs)		-	-	141,506	-	678	3,010,325	3,180,573	3,152,509	(28,064)	5,827,634	5,827,897	263
Bank Deposit Certificate (CDB)		-	-	-	-	-	353	353	353	-	1,251	1,251	-
Funds		80,318	-	-	-	-	-	80,318	80,318	-	74,229	74,229	-
Financial Bills (LFs)		-	125,278	71,603	337,013	442,288	225,665	1,203,903	1,201,847	(2,056)	1,165,889	1,166,003	114
<b>Total</b>		<b>80,318</b>	<b>125,278</b>	<b>213,109</b>	<b>337,013</b>	<b>442,966</b>	<b>3,236,343</b>	<b>4,465,147</b>	<b>4,435,027</b>	<b>(30,120)</b>	<b>7,069,003</b>	<b>7,069,380</b>	<b>377</b>
<b>Subject to repurchase agreements</b>													
Financial Treasury Bills (LFTs)		-	-	-	-	82,553	4,673,577	4,790,462	4,756,130	(34,332)	3,952,246	3,952,540	294
<b>Total</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>82,553</b>	<b>4,673,577</b>	<b>4,790,462</b>	<b>4,756,130</b>	<b>(34,332)</b>	<b>3,952,246</b>	<b>3,952,540</b>	<b>294</b>
<b>Linked to the provision of guarantees</b>													
Financial Bills (LFs)		-	-	-	-	34,888	-	34,913	34,888	(25)	188,639	188,591	(48)
Financial Treasury Bills (LFTs)		-	-	1,003,496	-	182,504	4,427,943	5,633,247	5,613,943	(19,304)	6,827,399	6,827,911	512
<b>Total</b>		<b>-</b>	<b>-</b>	<b>1,003,496</b>	<b>-</b>	<b>217,392</b>	<b>4,427,943</b>	<b>5,668,160</b>	<b>5,648,831</b>	<b>(19,329)</b>	<b>7,016,038</b>	<b>7,016,502</b>	<b>464</b>
<b>II - Trading securities</b>		<b>654</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>656</b>	<b>654</b>	<b>(2)</b>	<b>16,137</b>	<b>15,537</b>	<b>(600)</b>
<b>Bank's own portfolio</b>													
Rural Producer Notes (CPRs)		601	-	-	-	-	-	603	601	(2)	10,225	9,625	(600)
Financial Treasury Bills (LFTs)		-	-	-	-	-	-	-	-	-	5,790	5,790	-
<b>Total</b>		<b>601</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>603</b>	<b>601</b>	<b>(2)</b>	<b>16,015</b>	<b>15,415</b>	<b>(600)</b>
<b>Derivative financial instruments</b>													
Futures - CPRs		-	-	-	-	-	-	-	-	-	5	5	-
Futures - Foreign Exchange		53	-	-	-	-	-	53	53	-	117	117	-
<b>Total</b>		<b>53</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>53</b>	<b>53</b>	<b>-</b>	<b>122</b>	<b>122</b>	<b>-</b>
<b>III - Held-to-maturity securities</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>24,237</b>	<b>2,625,650</b>	<b>2,658,635</b>	<b>2,649,887</b>	<b>(8,748)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Bank's own portfolio</b>													
Financial Treasury Bills (LFTs)		-	-	-	-	-	407,280	407,280	407,280	-	-	-	-
Financial Rural Producer Notes (CPRFs) - Floating rate		-	-	-	-	7,656	118,377	126,033	126,033	-	-	-	-
CPRFs - Fixed rate		-	-	-	-	16,581	43,467	68,796	60,048	(8,748)	-	-	-
<b>Total</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>24,237</b>	<b>569,124</b>	<b>602,109</b>	<b>593,361</b>	<b>(8,748)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Subject to repurchase agreements</b>													
Financial Treasury Bills (LFTs)		-	-	-	-	-	2,056,526	2,056,526	2,056,526	-	-	-	-
<b>Total</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,056,526</b>	<b>2,056,526</b>	<b>2,056,526</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total - marketable securities</b>		<b>80,972</b>	<b>125,278</b>	<b>1,216,605</b>	<b>337,013</b>	<b>767,148</b>	<b>14,963,513</b>	<b>17,583,060</b>	<b>17,490,529</b>	<b>(92,531)</b>	<b>18,053,424</b>	<b>18,053,959</b>	<b>535</b>
<b>Current</b>									<b>2,527,016</b>			<b>6,287,195</b>	
<b>Non-current</b>									<b>14,963,513</b>			<b>11,766,764</b>	

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### b. Balances of Marketable Securities

	Note	Bank		Consolidated	
		12/31/2020	12/31/2019	12/31/2020	12/31/2019
Market value of available-for-sale securities		14,785,971	17,991,083	14,785,971	18,038,422
Market value of trading securities		601	15,415	601	15,415
Market value of held-to-maturity securities		2,649,887	-	2,649,887	-
<b>Total</b>		<b>17,436,459</b>	<b>18,006,498</b>	<b>17,436,459</b>	<b>18,053,837</b>

In 2020, there were no reclassifications of securities between the categories.

At December 31, 2020, Bancoob's securities linked to the provision of guarantees totaled R\$ 5,648,831 (R\$ 7,016,502 at December 31, 2019), mainly distributed as follows:

- (a) R\$ 1,891,950 (R\$ 4,132,923 at 12/31/2019) as collateral for funding operations;  
 (b) R\$ 3,692,745 (R\$ 2,826,956 at 12/31/2019) as collateral for card transactions.

### c. Gains (losses) on marketable securities and derivatives

	Note	Bank				Consolidated	
		Years		2nd six-month period		Years	
		2020	2019	2020	2019	2020	2019
Income from fixed-income securities		469,287	806,433	165,443	421,426	470,007	807,683
Income from investment funds		11,045	9,396	4,310	4,744	11,230	10,888
Upward adjustment to the market value of securities		46	1	159	1	46	1
Income from short-term interbank investments	6(b)	612,928	951,504	320,156	430,209	612,928	951,504
Gains (losses) on transactions with derivatives		(7,808)	9,231	(1,199)	8,857	(7,808)	9,231
Gains (losses) on marketable securities and derivatives		(8,724)	(13,073)	(2,834)	(11,745)	(8,758)	(13,985)
<b>Total</b>		<b>1,076,774</b>	<b>1,763,492</b>	<b>486,035</b>	<b>853,492</b>	<b>1,077,645</b>	<b>1,765,322</b>

## Note 9 - Interbank onlendings and lending operations

### a. Balances of the loan portfolio, interbank onlendings, and other receivables with loan characteristics

	Note	Bank and Consolidated	
		12/31/2020	12/31/2019
Interbank onlendings		11,883,497	8,961,086
Loans and discounted notes		2,683,726	1,877,000
Financing		1,243,993	881,817
Rural and agribusiness financing		2,853,657	2,411,736
Real estate financing		209,255	72,618
Other receivables	22(a1)	5,736,586	4,357,757
<b>Subtotal</b>		<b>24,610,714</b>	<b>18,562,014</b>
(-) Provision for expected credit losses - interbank onlendings		(1,747)	(8,577)
(-) Provision for expected credit losses - lending operations		(119,105)	(87,532)
(-) Provision for expected credit losses - other receivables		(71,442)	(51,967)
<b>Total</b>		<b>24,418,420</b>	<b>18,413,938</b>
Current		15,012,523	12,087,986
Non-current		9,405,897	6,325,953

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### b. Loan portfolio classified by type and risk level

Lending operations	Bank and Consolidated									12/31/2020	12/31/2019
	AA	A	B	C	D	E	F	G	H		
Interbank onlendings	11,570,339	286,550	24,212	2,396	-	-	-	-	-	11,883,497	8,961,086
Loans and discounted notes	980,925	1,208,634	274,109	139,352	52,760	11,433	3,163	1,911	11,438	2,683,725	1,877,000
Financing	49,991	472,261	298,089	302,674	58,040	39,041	6,397	6,928	10,572	1,243,993	881,817
Rural and agribusiness financing	223,809	2,072,253	339,604	145,158	44,977	27,164	226	85	382	2,853,658	2,411,736
Real estate financing	19,613	142,487	31,805	9,236	4,819	1,295	-	-	-	209,255	72,618
<b>Total</b>	<b>12,844,677</b>	<b>4,182,185</b>	<b>967,819</b>	<b>598,816</b>	<b>160,596</b>	<b>78,933</b>	<b>9,786</b>	<b>8,924</b>	<b>22,392</b>	<b>18,874,128</b>	<b>14,204,257</b>
Other receivables	29,445	3,850,672	1,169,546	489,508	175,414	18,130	1,617	786	1,468	5,736,586	4,357,757
<b>Grand total</b>	<b>12,874,122</b>	<b>8,032,857</b>	<b>2,137,365</b>	<b>1,088,324</b>	<b>336,010</b>	<b>97,063</b>	<b>11,403</b>	<b>9,710</b>	<b>23,860</b>	<b>24,610,714</b>	<b>18,562,014</b>
Provision for expected credit losses	-	40,025	21,209	32,218	33,431	29,070	5,703	6,778	23,860	192,294	148,075
<b>Total provisions at 12/31/2020, net</b>	<b>12,874,122</b>	<b>7,992,832</b>	<b>2,116,156</b>	<b>1,056,106</b>	<b>302,579</b>	<b>67,993</b>	<b>5,700</b>	<b>2,932</b>	<b>-</b>	<b>24,418,420</b>	<b>-</b>
<b>Total provisions at 12/31/2019, net</b>	<b>8,583,346</b>	<b>6,950,548</b>	<b>1,654,894</b>	<b>944,229</b>	<b>232,366</b>	<b>43,605</b>	<b>3,522</b>	<b>1,429</b>	<b>-</b>	<b>-</b>	<b>18,413,939</b>

### c. Provisions for expected credit losses by type

Lending operations	AA	B	C	D	E	F	G	H	12/31/2020	12/31/2019
Interbank onlendings	1,434	242	72	-	-	-	-	-	1,748	8,578
Loans and discounted notes	6,043	2,741	4,181	5,276	3,430	1,582	1,338	11,438	36,029	33,464
Financing	2,222	2,816	8,648	5,633	11,665	3,198	4,831	10,572	49,585	27,805
Rural and agribusiness financing	10,361	3,397	4,355	4,497	8,149	114	59	382	31,314	25,666
Real estate financing	712	318	277	482	387	-	-	-	2,176	596
<b>Total</b>	<b>20,772</b>	<b>9,514</b>	<b>17,533</b>	<b>15,888</b>	<b>23,631</b>	<b>4,894</b>	<b>6,228</b>	<b>22,392</b>	<b>120,852</b>	<b>96,109</b>
Other receivables	19,254	11,695	14,685	17,542	5,439	809	550	1,468	71,442	51,967
<b>Grand total</b>	<b>40,025</b>	<b>21,209</b>	<b>32,218</b>	<b>33,430</b>	<b>29,070</b>	<b>5,703</b>	<b>6,778</b>	<b>23,860</b>	<b>192,294</b>	<b>148,075</b>

### d. Balances classified by maturity range and risk level

#### d1. Falling-due interbank onlendings, lending operations and other receivables with loan characteristics

	Bank and Consolidated									12/31/2020	12/31/2019
	AA	A	B	C	D	E	F	G	H		
01 to 30 days	191,293	287,356	95,179	54,265	22,396	4,081	422	311	396	655,699	677,968
31 to 60 days	360,670	226,016	69,998	37,363	12,732	2,055	204	194	246	709,478	603,465
61 to 90 days	423,936	313,205	97,324	46,400	15,894	2,241	224	232	283	899,739	872,913
91 to 180 days	2,659,307	1,085,165	347,413	154,401	54,182	9,658	849	542	851	4,312,368	3,509,176
181 to 360 days	4,079,356	2,975,291	860,732	391,689	133,138	20,799	2,104	1,319	2,204	8,466,632	6,430,806
Over 360 days	5,159,534	3,131,252	631,844	374,328	80,391	51,459	2,508	3,084	8,524	9,442,924	6,343,446
<b>Total</b>	<b>12,874,096</b>	<b>8,018,285</b>	<b>2,102,490</b>	<b>1,058,446</b>	<b>318,733</b>	<b>90,293</b>	<b>6,311</b>	<b>5,682</b>	<b>12,504</b>	<b>24,486,840</b>	<b>18,437,774</b>

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### d2. Past-due due interbank onlendings, lending operations, and other receivables with loan characteristics

Past-due portion	Bank and Consolidated									12/31/2020	12/31/2019
	AA	A	B	C	D	E	F	G	H		
01 to 30 days	26	7,862	23,091	11,762	6,163	1,139	234	153	365	50,795	47,534
31 to 60 days	-	-	74	6,083	1,532	392	123	119	328	8,651	13,713
61 to 90 days	-	-	-	94	2,943	235	95	83	270	3,720	4,545
91 to 180 days	-	-	0	23	99	172	177	279	778	1,528	1,446
181 to 360 days	-	-	-	-	-	50	122	191	1,388	1,751	1,196
Over 360 days	-	-	-	-	-	-	-	-	277	277	139
<b>Total</b>	<b>26</b>	<b>7,862</b>	<b>23,165</b>	<b>17,962</b>	<b>10,737</b>	<b>1,988</b>	<b>751</b>	<b>825</b>	<b>3,406</b>	<b>66,722</b>	<b>68,573</b>
<b>Portion not yet due</b>											
01 to 30 days	-	171	354	327	169	132	105	86	269	1,613	1,658
31 to 60 days	-	123	274	330	180	133	120	116	289	1,565	1,335
61 to 90 days	-	130	273	303	175	122	124	88	275	1,490	1,488
91 to 180 days	-	370	769	864	514	364	323	259	785	4,248	4,091
181 to 360 days	-	735	1,465	1,699	983	670	617	524	1,409	8,102	8,236
Over 360 days	-	5,181	8,575	8,393	4,519	3,361	3,052	2,130	4,923	40,134	38,859
<b>Total</b>	<b>-</b>	<b>6,710</b>	<b>11,710</b>	<b>11,916</b>	<b>6,540</b>	<b>4,782</b>	<b>4,341</b>	<b>3,203</b>	<b>7,950</b>	<b>57,152</b>	<b>55,667</b>
<b>Total</b>	<b>26</b>	<b>14,572</b>	<b>34,875</b>	<b>29,878</b>	<b>17,277</b>	<b>6,770</b>	<b>5,092</b>	<b>4,028</b>	<b>11,356</b>	<b>123,874</b>	<b>124,240</b>

### e. Balances classified by industry and maturity

	Bank and Consolidated							Total 12/31/2020	Total 12/31/2019
	Past-due	Not yet due					Over 15 years		
		3 months or less	From 3 to 12 months	From 1 to 3 years	From 3 to 5 years	From 5 to 15 years			
Rural	-	113,962	380,711	863,841	688,431	806,712	-	2,853,657	2,411,736
Financial intermediaries	-	937,354	6,340,901	3,350,699	747,248	507,295	-	11,883,497	8,961,087
Individuals	31,015	837,985	4,026,082	705,372	391,615	261,444	88,123	6,341,636	2,579,148
Other services	14,568	401,419	2,043,659	728,527	290,730	51,422	1,599	3,531,924	4,610,043
Housing	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>45,583</b>	<b>2,290,720</b>	<b>12,791,351</b>	<b>5,648,439</b>	<b>2,118,024</b>	<b>1,626,873</b>	<b>89,722</b>	<b>24,610,714</b>	<b>18,562,014</b>

### f. Concentration of interbank onlendings, lending operations, and other receivables with loan characteristics

#### f1. Concentration of interbank onlendings

	Bank and Consolidated			
	12/31/2020	%	12/31/2019	%
10 largest debtors	4,118,766	34.66	2,964,826	37.76
50 next largest debtors	4,641,710	39.05	3,808,981	39.51
100 next largest debtors	2,668,875	22.46	2,046,135	21.15
Other	454,146	3.83	141,144	1.58
<b>Total</b>	<b>11,883,497</b>	<b>100.00</b>	<b>8,961,086</b>	<b>100.00</b>

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### f2. Concentration of lending operations

	Bank and Consolidated			
	12/31/2020	%	12/31/2019	%
10 largest debtors	531,504	7.60	492,301	9.39
50 next largest debtors	572,516	8.19	319,318	6.09
100 next largest debtors	335,274	4.80	220,063	4.20
Other	5,551,337	79.41	4,211,489	80.32
<b>Total</b>	<b>6,990,631</b>	<b>100.00</b>	<b>5,243,171</b>	<b>100.00</b>

### f3. Concentration of operations - other receivables with loan characteristics

	Bank and Consolidated			
	12/31/2020	%	12/31/2019	%
10 largest debtors	6,129	0.11	5,533	0.13
50 next largest debtors	15,128	0.26	12,661	0.29
100 next largest debtors	18,462	0.32	15,081	0.35
Other	5,696,867	99.31	4,324,482	99.23
<b>Total</b>	<b>5,736,586</b>	<b>100.00</b>	<b>4,357,757</b>	<b>100.00</b>

## g. Changes in the provisions for expected credit losses

### g1. Provisions for expected credit losses - interbank onlendings and lending operations

	Bank and Consolidated			
	Years		2nd six-month period	
	2020	2019	2020	2019
<b>Balance at the beginning of the period</b>	96,109	58,304	121,295	78,387
Constitution (reversal) of provision for expected credit losses - interbank onlendings	(6,830)	2,192	(3,833)	1,215
Constitution (reversal) of provision for expected credit losses - lending operations	45,835	45,048	9,797	21,986
Lending operations written off as losses	(14,262)	(9,435)	(6,407)	(5,479)
<b>Balance at the end of the period</b>	<b>120,852</b>	<b>96,109</b>	<b>120,852</b>	<b>96,109</b>

The loans renegotiated in 2020, whether due to regulations or default, totaled R\$ 231.7 (R\$ 20.7 at 12/31/2019) and related to non-performing contracts of payroll-deductible loans, rural credit operations, and lending operations.

The amount of R\$ 53.2 relates to renegotiations of payroll-deductible loans; R\$ 85.5 to renegotiations of rural credit operations in compliance with COVID-19-related Resolutions 4,782/2020 and 4,801/2020; and R\$ 92.9 relates to rural credit operations renegotiated in compliance with standards issued by the National Monetary Council.

In 2020, the recovery of loans written off as losses totaled R\$ 2,927 (R\$ 2,127 at 12/31/2019).

### g2. Provisions for expected credit losses - other receivables with loan characteristics

	Bank and Consolidated			
	Years		2nd six-month period	
	2020	2019	2020	2019
Balance at the beginning of the period	51,967	26,868	50,598	35,689
Constitution (reversal) of provision for expected credit losses	19,475	25,099	20,844	16,278
<b>Balance at the end of the period</b>	<b>71,442</b>	<b>51,967</b>	<b>71,442</b>	<b>51,967</b>



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## h. Income from interbank onlendings and lending operations

	Bank and Consolidated			
	Years		2nd six-month period	
	2020	2019	2020	2019
Income from interbank onlendings	590,092	631,322	295,795	325,255
Loans and discounted notes	257,892	250,628	126,827	129,374
Financing	72,981	71,808	42,615	35,511
Rural and agribusiness financing	153,055	133,598	78,714	68,567
Income from housing financing	9,793	3,701	6,100	2,251
<b>Subtotal</b>	<b>1,083,813</b>	<b>1,091,057</b>	<b>550,051</b>	<b>560,958</b>
Recovery of receivables written off as losses	2,927	2,127	1,952	943
<b>Balance at the end of the six-month period</b>	<b>1,086,740</b>	<b>1,093,184</b>	<b>552,003</b>	<b>561,901</b>

## Note 10 - Tax credits, income tax and social contribution

### a. Balances

Balances	12/31/2020				12/31/2019			
	Bank		Consolidated		Bank		Consolidated	
	Income tax	Social contribution	Income tax	Social contribution	Income tax	Social contribution	Income tax	Social contribution
Provision for expected credit losses	198,301	198,301	198,301	198,301	154,524	154,524	154,524	154,524
Civil and labor contingencies	14,670	14,670	14,670	14,670	13,815	13,815	13,815	13,815
Adjustment to market value	83,782	83,782	83,782	83,782	815	815	815	815
Profit sharing	13,106	13,106	13,301	13,301	12,733	12,733	13,008	13,008
SIPAG Acceleration Program	4,009	4,009	4,009	4,009	2,759	2,759	2,759	2,759
Government Severance Indemnity Fund for Employees (FGTS) - 50% - Executive Board	1,608	1,608	2,096	2,096	1,551	1,551	1,966	1,966
National sales campaign	29,582	29,582	29,582	29,582	20,943	20,943	20,943	20,943
Incentive Program - Credit	102,702	102,702	102,702	102,702	59,813	59,813	59,813	59,813
Card bonuses	5,345	5,345	5,345	5,345	127,791	127,791	127,791	127,791
Legal fees	1,518	1,518	1,518	1,518	1,518	1,518	1,518	1,518
Other provisions	73,063	73,063	73,086	73,086	6,681	6,681	6,730	6,730
<b>Amount</b>	<b>527,686</b>	<b>527,686</b>	<b>528,392</b>	<b>528,392</b>	<b>402,943</b>	<b>402,943</b>	<b>403,682</b>	<b>403,682</b>
Tax rates	25%	20%	25%	20%/15%	25%	15%	25%	15%
<b>Tax credits recognized</b>	<b>131,922</b>	<b>105,537</b>	<b>132,098</b>	<b>105,644</b>	<b>100,736</b>	<b>60,441</b>	<b>100,921</b>	<b>60,552</b>

### b. Changes in balances

Balances	12/31/2020				12/31/2019			
	Bank		Consolidated		Bank		Consolidated	
	Income tax	Social contribution	Income tax	Social contribution	Income tax	Social contribution	Income tax	Social contribution
<b>At December 31</b>								
Deferred tax assets	100,736	60,441	100,921	60,552	63,569	38,141	63,731	38,271
Deferred tax liabilities	(284)	(170)	(284)	(170)	(566)	(340)	(566)	(340)
<b>Sub-total</b>	<b>100,452</b>	<b>60,271</b>	<b>100,637</b>	<b>60,382</b>	<b>63,003</b>	<b>37,801</b>	<b>63,165</b>	<b>37,931</b>
<b>Adjustment to profit (loss)</b>	<b>10,201</b>	<b>28,307</b>	<b>10,192</b>	<b>28,303</b>	<b>37,074</b>	<b>22,244</b>	<b>37,097</b>	<b>22,225</b>
Tax credits recognized	214,807	183,994	214,904	184,053	357,835	214,701	357,952	214,771
Tax credits derecognized	(204,567)	(155,655)	(204,673)	(155,718)	(320,668)	(192,401)	(192,490)	(192,490)
Changes in deferred taxes	(39)	(32)	(39)	(32)	(93)	(56)	(93)	(56)
<b>Adjustment to equity (securities)</b>	<b>21,229</b>	<b>16,927</b>	<b>21,229</b>	<b>16,927</b>	<b>375</b>	<b>226</b>	<b>375</b>	<b>226</b>
Tax credits recognized	118,262	94,288	118,262	94,289	-	-	-	-
Tax credits derecognized	(97,316)	(77,531)	(97,316)	(77,532)	-	-	-	-
Changes in deferred taxes	283	170	283	170	375	226	375	226

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<b>Changes</b>	<b>31,430</b>	<b>45,234</b>	<b>31,421</b>	<b>45,230</b>	<b>37,449</b>	<b>22,470</b>	<b>37,472</b>	<b>22,451</b>
<b>At December 31</b>								
Deferred tax assets	131,922	105,537	132,098	105,644	100,736	60,441	100,921	60,552
Deferred tax liabilities	(40)	(32)	(40)	(32)	(284)	(170)	(284)	(170)
	<b>131,882</b>	<b>105,505</b>	<b>132,058</b>	<b>105,612</b>	<b>100,452</b>	<b>60,271</b>	<b>100,637</b>	<b>60,382</b>

### c. Expected realization of tax credits

Based on a study conducted by Management, which considered the expected generation of future taxable income, the tax credits will be realized within ten years, as follows:

Years	12/31/2020			
	Bank		Consolidated	
	Nominal amount	Present value	Nominal amount	Present value
2021	95,466	94,043	95,747	94,322
2022	26,856	24,951	26,856	24,951
2023	13,710	12,017	13,710	12,017
2024	18,398	15,213	18,398	15,213
2025	29,254	22,820	29,255	22,820
2026 to 2030	53,775	39,574	53,776	39,574
<b>Total tax credits</b>	<b>237,459</b>	<b>208,618</b>	<b>237,742</b>	<b>208,897</b>

The present value of tax credits was calculated considering the SELIC rate projected for the realization years.

### d. Balances of expected realization of tax credits

In relation to the expected realization of the tax credits presented in the technical study conducted at December 31, 2019, Bancoob had realized 99% of the total credits by the end of the year.

Taxes recoverable	Expected realization	Realized	Percentage
SIPAG Acceleration Program	1,103	1,103	100%
Derivatives	326	326	100%
Provision for expected credit losses	6,473	6,473	100%
Pre-authorized provisions	336	336	100%
Provision for civil contingencies	866	866	100%
Provision for labor contingencies	760	760	100%
Provisions for guarantees provided	82	82	100%
Profit sharing	5,093	5,093	100%
Burden of defeat	252	141	56%
Card bonuses	51,117	51,117	100%
FGTS - Executive Board	620	237	38%
1/3 of vacation pay - Executive Board	71	71	100%
Prize-Linked Savings Account campaign	1,426	1,426	100%
Provision for incentives - Credit	23,925	23,925	100%
Development of Master Platinum actions	301	301	100%
Provisions for the National Sales Campaign (CNV)	8,377	8,377	100%
Service Tax (ISS) - Supplementary Law 157/2016	316	-	-
<b>Total</b>	<b>101,444</b>	<b>100,634</b>	<b>99%</b>

### e. Income tax and social contribution on net income

The reconciliation of the expense calculated by applying the combined income tax and social contribution rates, and charged to the statement of income is as follows:

\* From March 2020, the social contribution rate was changed to 20%, pursuant to Constitutional Amendment 103/2019.

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Balances	Bank								Consolidated				
	12/31/2020			12/31/2019		2nd half of 2020		2nd half of 2019		12/31/2020		12/31/2019	
	Income tax	Social contribution up to February from March*		Income tax	Social contribution	Income tax	Social contribution	Income tax	Social contribution	Income tax	Social contribution	Income tax	Social contribution
Profit before taxes and profit sharing	208,755	40,324	168,431	195,467	195,467	106,851	106,851	69,920	69,920	232,988	232,988	211,280	211,280
Equity in the results of subsidiaries	(71,367)	(6,165)	(65,202)	(41,844)	(41,844)	(37,482)	(37,482)	(17,408)	(17,408)	(35,258)	(35,258)	(24,057)	(24,057)
Employee profit sharing	(12,929)	(1,481)	(11,448)	(12,749)	(12,749)	(7,988)	(7,988)	(7,430)	(7,430)	(14,781)	(14,781)	(14,272)	(14,272)
<b>Tax base</b>	<b>124,459</b>	<b>32,678</b>	<b>91,781</b>	<b>140,874</b>	<b>140,871</b>	<b>61,381</b>	<b>61,381</b>	<b>45,082</b>	<b>45,082</b>	<b>182,949</b>	<b>182,949</b>	<b>172,951</b>	<b>172,951</b>
Tax rate	25%	15%	20%	25%	15%	25%	20%	25%	15%	25%	20%/15%/9%	25%	15%/9%
	<b>31,115</b>	<b>4,902</b>	<b>18,356</b>	<b>35,219</b>	<b>21,131</b>	<b>15,345</b>	<b>12,276</b>	<b>11,271</b>	<b>6,762</b>	<b>45,737</b>	<b>30,270</b>	<b>43,238</b>	<b>25,144</b>
Tax effects on temporary differences													
Provision for expected credit losses	11,006	958	7,528	15,802	9,481	5,180	4,144	8,372	5,023	11,006	8,486	15,802	9,481
Provisions for contingent liabilities	214	28	133	165	99	42	33	183	110	183	135	175	105
Other provisions	(788)	2,716	(4,252)	21,107	12,664	(22,031)	(17,624)	14,193	8,516	(740)	(1,445)	21,636	12,860
	<b>10,432</b>	<b>3,702</b>	<b>3,409</b>	<b>37,074</b>	<b>22,244</b>	<b>(16,809)</b>	<b>(13,447)</b>	<b>22,748</b>	<b>13,649</b>	<b>10,449</b>	<b>7,176</b>	<b>37,613</b>	<b>22,446</b>
Tax effect on permanent differences	2,519	79	1,894	1,588	943	1,931	1,543	1,177	536	2,871	2,174	1,923	1,148
Sponsorships benefiting from tax incentives	(1,322)	-	-	(1,989)	-	(1,322)	-	(1,989)	-	(1,658)	-	(2,243)	-
Donations	(529)	-	-	-	-	(529)	-	-	-	(683)	-	-	-
Workers' Meal Program (PAT)	(1,059)	-	-	(1,774)	-	(12)	-	(1,365)	-	(1,415)	-	(1,989)	-
Extension of parenthood leave	(196)	-	-	(212)	-	(91)	-	(61)	-	(236)	-	(259)	-
	<b>(3,106)</b>	<b>-</b>	<b>-</b>	<b>(3,975)</b>	<b>-</b>	<b>(1,954)</b>	<b>-</b>	<b>(3,415)</b>	<b>-</b>	<b>(3,992)</b>	<b>-</b>	<b>(4,491)</b>	<b>-</b>
<b>Current income tax and social contribution</b>	<b>40,960</b>	<b>8,683</b>	<b>23,659</b>	<b>69,906</b>	<b>44,318</b>	<b>(1,487)</b>	<b>372</b>	<b>31,781</b>	<b>20,947</b>	<b>55,065</b>	<b>39,620</b>	<b>78,283</b>	<b>48,738</b>
<b>Income tax and social contribution - prior years</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2</b>	<b>1</b>	<b>9</b>	<b>-</b>
<b>Total</b>	<b>40,960</b>	<b>8,683</b>	<b>23,659</b>	<b>69,906</b>	<b>44,318</b>	<b>(1,487)</b>	<b>372</b>	<b>31,781</b>	<b>20,947</b>	<b>55,067</b>	<b>39,621</b>	<b>78,292</b>	<b>48,738</b>

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### Note 11 - Investments in associates and subsidiaries

In the parent company financial statements, investments in subsidiaries are accounted for under the equity method and recorded within "Investments in associates and subsidiaries". Equity accounting adjustments were recorded within "Equity in the results of associates and subsidiaries". In the consolidated financial statements, investments in subsidiaries are eliminated upon consolidation.

Description	Reporting date	Paid-up share capital	Adjusted equity	Profit for the year	Ownership %	Number of shares	Equity in the results				Goodwill on investments		Bank		Consolidated	
							Years		2nd six-month period		Years		Years		Years	
							2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Bancoob Distribuidora de Títulos e Valores Mobiliários Ltda. (a)	12/31/2020	2,170	6,249	3,645	99.9994	2,000,000	3,644	3,657	1,613	1,940	-	-	6,249	6,262	-	-
Cabal Brasil Ltda. (b)	12/31/2020	48,509	61,992	13,483	99	48,023,622	11,906	5,951	8,349	3,240	39,799	3,644	101,172	42,451	39,799	3,644
Ponta Administradora de Consórcios Ltda.(c)	12/31/2020	6,191	84,555	19,972	99.99	6,191,000	19,970	8,130	15,831	2,264	-	-	84,546	64,576	-	-
Bancoob Participações em Seguridade S.A. (d)	12/31/2020	20,000	66,949	35,847	100	20,000,000	35,847	24,106	11,689	9,963	-	-	66,949	51,102	66,291	50,435
<b>Total</b>							<b>71,367</b>	<b>41,844</b>	<b>37,482</b>	<b>17,407</b>	<b>39,799</b>	<b>3,644</b>	<b>258,916</b>	<b>164,391</b>	<b>106,090</b>	<b>54,079</b>

(a) Administrator and manager of investment funds, with managed assets amounting to R\$ 36,950,710 at December 31, 2020 (R\$ 25,981,456 at December 31, 2019).

(b) Operator of Mastercard, Visa and Cabal credit cards within Sicoob.

(c) Operator of consortia for the sale of light and heavy-duty vehicles, properties and services, with over 218,989 active participants and a managed portfolio of R\$ 16.32 billion.

(d) Bancoob Participações em Seguridade S.A - Bancoob PAR Seguridade, which holds an equity interest in Sicoob Seguradora de Vida e Previdência S.A.

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### Note 12 - Property and equipment

	Bank						Consolidated
	Land	Buildings and improvements	Machinery and equipment	IT equipment	Other	Total	Total
<b>At December 31, 2018</b>	<b>3,010</b>	<b>55,092</b>	<b>2,850</b>	<b>12,471</b>	<b>517</b>	<b>73,940</b>	<b>86,684</b>
Purchases	-	-	2,999	1,362	172	4,533	7,586
Disposals	-	-	(12)	-	(17)	(29)	(70)
Depreciation	-	(3,275)	(609)	(3,491)	(129)	(7,503)	(11,239)
<b>At December 31, 2019</b>	<b>3,010</b>	<b>51,817</b>	<b>5,229</b>	<b>10,342</b>	<b>543</b>	<b>70,941</b>	<b>82,961</b>
Total cost	3,010	72,582	10,561	22,831	1,018	110,002	134,924
Accumulated depreciation	-	(20,765)	(5,332)	(12,489)	(475)	(39,061)	(51,963)
<b>Net book value</b>	<b>3,010</b>	<b>51,817</b>	<b>5,229</b>	<b>10,342</b>	<b>543</b>	<b>70,941</b>	<b>82,961</b>
<b>At December 31, 2019</b>	<b>3,010</b>	<b>51,817</b>	<b>5,229</b>	<b>10,342</b>	<b>543</b>	<b>70,941</b>	<b>82,961</b>
Purchases	-	-	770	787	57	1,614	2,469
Disposals	-	-	(7)	(2)	(9)	(18)	(46)
Depreciation	-	(3,273)	(809)	(3,654)	(140)	(7,876)	(11,535)
<b>At December 31, 2020</b>	<b>3,010</b>	<b>48,544</b>	<b>5,183</b>	<b>7,473</b>	<b>451</b>	<b>64,661</b>	<b>73,849</b>
Total cost	3,010	72,582	11,202	22,790	1,059	110,643	136,332
Accumulated depreciation	-	(24,038)	(6,019)	(15,317)	(608)	(45,982)	(62,483)
<b>Net book value</b>	<b>3,010</b>	<b>48,544</b>	<b>5,183</b>	<b>7,473</b>	<b>451</b>	<b>64,661</b>	<b>73,849</b>
<b>Annual depreciation rates - %</b>	<b>-</b>	<b>4.70%</b>	<b>10%</b>	<b>20%</b>	<b>10%</b>		

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### Note 13 - Intangible assets

	Bank	Consolidated
<b>At December 31, 2018</b>	<b>2,059</b>	<b>9,294</b>
Acquisitions	308	2,425
Depreciation	(667)	(3,076)
<b>At December 31, 2019</b>	<b>1,700</b>	<b>8,643</b>
Total cost	9,544	26,935
Accumulated depreciation	(7,844)	(18,292)
<b>Net book value</b>	<b>1,700</b>	<b>8,643</b>
<b>At Tuesday, December 31, 2019</b>	<b>1,700</b>	<b>8,643</b>
Acquisitions	476	3,255
Depreciation	(699)	(3,583)
<b>At December 31, 2020</b>	<b>1,477</b>	<b>8,315</b>
Total cost	10,020	30,190
Accumulated depreciation	(8,543)	(21,875)
<b>Net book value</b>	<b>1,477</b>	<b>8,315</b>
<b>Annual depreciation rates - %</b>	<b>20%</b>	<b>20%</b>

### Note 14 - Deposits

#### a. Balances

Deposits	Bank							Consolidated				
	Without defined maturity	12/31/2020						12/31/2019	12/31/2020		12/31/2019	
		Up to 1 month	From 1 to 3 months	From 3 to 6 months	From 6 to 12 months	Over 1 year	Total	Total	Total	Total		
Demand deposits	83,247	-	-	-	-	-	83,247	52,354	82,838	51,376		
Savings deposits	9,902,359	-	-	-	-	-	9,902,359	6,507,726	9,902,359	6,507,726		
Interbank deposits	-	5,856,665	3,938,346	5,353,662	20,307,208	5,647,290	41,103,171	26,068,210	41,103,171	26,068,210		
Rural interbank deposits	-	-	10,293	179,969	3,088,048	252,343	3,530,653	4,605,915	3,530,653	4,605,915		
Time deposits	-	7,037	39,858	25,843	59,999	787,810	920,547	648,019	589,677	503,803		
<b>Total</b>	<b>9,985,606</b>	<b>5,863,702</b>	<b>3,988,497</b>	<b>5,559,474</b>	<b>23,455,255</b>	<b>6,687,443</b>	<b>55,539,977</b>	<b>37,882,224</b>	<b>55,208,698</b>	<b>37,737,030</b>		
<b>Current</b>							<b>48,852,534</b>	<b>34,724,751</b>	<b>48,839,376</b>	<b>34,718,335</b>		
<b>Non-current</b>							<b>6,687,443</b>	<b>3,157,473</b>	<b>6,369,322</b>	<b>3,018,695</b>		

#### b. Money market funding expenses

	Bank				Consolidated	
	2020	2019	2nd half of 2020	2nd half of 2019	2020	2019
	Savings deposits	157,873	230,793	67,087	116,798	157,873
Interbank deposits	1,056,345	1,743,161	460,563	826,365	1,056,345	1,743,161
Time deposits	19,231	36,395	7,675	17,707	14,731	28,533
Money market funding	106,639	184,797	49,055	97,363	106,639	184,797
Other funding expenses	14,606	21,314	7,744	10,513	14,606	21,314
<b>Total</b>	<b>1,354,694</b>	<b>2,216,460</b>	<b>592,124</b>	<b>1,068,746</b>	<b>1,350,194</b>	<b>2,208,598</b>

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### Note 15 - Repurchase agreement obligations

#### Maturity

	Bank and Consolidated						2019
	2020						
	Up to 1 month	From 1 to 3 months	From 3 to 6 months	From 6 to 12 months	Over 1 year	Total	Total
Own portfolio	3,310,104	3,385,483	-	83,435	-	6,779,022	3,940,599
<b>Total</b>	<b>3,310,104</b>	<b>3,385,483</b>	<b>-</b>	<b>83,435</b>	<b>-</b>	<b>6,779,022</b>	<b>3,940,599</b>
<b>Current</b>						<b>6,779,022</b>	<b>3,940,599</b>
<b>Non-current</b>						-	-

### Nota 16 - Funds from acceptance of bills of exchange, real estate and mortgage notes, debentures and similar items

	Bank and Consolidated						2019
	2020						
	Up to 1 month	From 1 to 3 months	From 3 to 6 months	From 6 to 12 months	Over 1 year	Total	Total
Agribusiness Credit Notes (LCAs) - floating rate	1,561	11,822	138	9,492	19,214	42,227	111,639
Special Temporary Liquidity Line backed by Guaranteed Financial Bills (LTEL-LFG)	-	-	10,149	-	-	10,149	-
<b>Total</b>	<b>1,561</b>	<b>11,822</b>	<b>10,287</b>	<b>9,492</b>	<b>19,214</b>	<b>52,376</b>	<b>111,639</b>
<b>Current</b>						<b>33,162</b>	<b>79,748</b>
<b>Non-current</b>						<b>19,214</b>	<b>31,891</b>

### Note 17 - Borrowings and onlendings

#### a. Balances

Onlendings in Brazil are represented mainly by funds obtained from the National Bank for Economic and Social Development ("BNDES")/Government Agency for Machinery and Equipment Financing ("FINAME"), the National Treasury, Banco do Brasil, and Funcafé, with maturities up to 2038 and bearing finance charges of up to 11.18 % per year.

	Bank and Consolidated							12/31/2019	
	12/31/2020								
	Without defined maturity	3 months or less	From 3 to 12 months	From 1 to 3 years	From 3 to 5 years	From 5 to 15 years	Over 15 years	Total	Total
BNDES	-	103,688	311,813	759,560	574,827	727,086	72	2,477,046	1,925,661
Banco do Brasil/ FCO	-	1,469	8,267	13,924	12,956	15,886	-	52,502	27,002
Banco da Amazônia/ FNO	-	53	159	142	-	-	-	354	-
FINAME	-	55,855	170,497	345,839	208,064	111,025	-	891,280	811,108
Funcafé	-	6,399	297,542	42,007	-	-	-	345,948	326,007
<b>Total</b>	<b>-</b>	<b>167,464</b>	<b>788,278</b>	<b>1,161,472</b>	<b>795,847</b>	<b>853,997</b>	<b>72</b>	<b>3,767,130</b>	<b>3,089,778</b>
<b>Current</b>								<b>955,742</b>	<b>817,840</b>
<b>Non-current</b>								<b>2,811,388</b>	<b>2,271,938</b>

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### b. Expenses with borrowings and onlendings

	Bank and Consolidated			
	Years		2nd six-month period	
	2020	2019	2020	2019
BNDES	76,672	64,975	42,991	31,969
FINAME	40,691	35,126	21,505	17,682
Banco do Brasil/ FCO	996	1,461	460	676
Other institutions	8,844	12,464	4,102	6,503
<b>Total</b>	<b>127,203</b>	<b>114,026</b>	<b>69,058</b>	<b>56,830</b>

### Note 18 - Derivative financial instruments

	Bank and Consolidated			
	2020		2019	
	Without defined maturity	Total	Total	Total
Futures - CPRs	-	-	82	
Futures - Currency	1	1	4	
<b>Total</b>	<b>1</b>	<b>1</b>	<b>86</b>	
<b>Current</b>		<b>1</b>	<b>86</b>	
<b>Non-current</b>		-	-	

### Note 19 - Provisions

#### a. Provision for contingencies

Tax-related lawsuits and administrative proceedings to which Bancoob is a party are classified by internal and external legal consultants, who take into consideration the nature and specifics of each lawsuit, as well as the case law from higher courts.

Provisions for contingent liabilities are recognized, measured and disclosed in accordance with CMN Resolution 3,823/09, as summarized below:

A provision is recognized only when: (a) Bancoob has a present legal or constructive obligation as a result of past events; (b) it is probable that an outflow of resources will be required to settle the obligation; and (c) the amount of the obligation can be estimated reliably. In the event any of the above conditions is not met, the provision is not recognized.

Based on these assumptions, Bancoob records a provision when it is probable that a present obligation exists at the balance sheet date. Otherwise, the contingent liability is disclosed, unless the possibility of an outflow of resources is considered remote.

Management understands that the provision recorded is sufficient to cover any losses arising from the existing lawsuits, as shown below:



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### Legal obligations classified as involving risk of probable losses

Legal obligations classified as probable losses, the amounts of which can be reliably estimated, are provided for and presented according to their nature in the table below, with the respective changes in the period. Deposits in court are recorded under "Other receivables - sundry".

### Provisions recorded

#### Balances of balance sheet balances

	Bank				Consolidated			
	2020		2019		2020		2019	
	Judicial deposits	Provisions	Deposits in court	Provisions	Judicial deposits	Provisions	Judicial deposits	Provisions
Tax	5,059	-	3,507	-	5,141	2	3,507	2
Labor	800	2,536	1,036	2,614	800	2,536	1,036	2,733
Civil	8,841	12,134	8,871	11,201	8,907	12,441	8,964	11,359
<b>Total</b>	<b>14,700</b>	<b>14,670</b>	<b>13,414</b>	<b>13,815</b>	<b>14,848</b>	<b>14,979</b>	<b>13,507</b>	<b>14,094</b>

### Changes in the provisions for lawsuits

	Bank			Consolidated		
	2020			2019	2020	2019
	Labor	Civil	Total	Total	Total	Total
At December 31, 2019	2,614	11,201	13,815	13,154	14,094	13,404
Additions in the year	807	3,156	3,963	2,763	4,739	2,851
Amount used in the year	(243)	(526)	(769)	(1,353)	(1,318)	(1,403)
Reversals in the year	(642)	(1,697)	(2,339)	(749)	(2,536)	(758)
<b>At December 31, 2020</b>	<b>2,536</b>	<b>12,134</b>	<b>14,670</b>	<b>13,815</b>	<b>14,979</b>	<b>14,094</b>

The provision for tax risks is recorded within "Other payables - tax and social security obligations" (Note 22b), and the provisions for civil and labor contingencies within "Other payables - sundry" (Note 19).

### Nature of lawsuits classified as involving probable losses

- i. **Labor** - relate basically to lawsuits filed by employees claiming overtime hours in addition to the regular six-hour workday.
- ii. **Civil** - relate basically to contractual terms, registration of clients with credit protection services, and pain and suffering.

### Schedule of expected cash outflows

Due to the nature of the existing contingencies and the complexity of Brazil's legal environment, estimating a reasonable schedule for the future settlement of the lawsuits can be difficult.

### Contingencies classified as involving possible losses

The lawsuits classified as possible losses are not recognized, and are only disclosed when the amount involved is material. The following contingencies are classified as possible losses: (i) civil lawsuits disputing Bancoob's joint liability for deposits made in credit unions; (ii) civil lawsuit disputing Bancoob's liability for the payment of damages due to an error made by a credit union; (iii) civil lawsuits disputing alleged property damages and pain and suffering caused by Bancoob's products; (iv) labor lawsuits; (v) tax and social security administrative proceedings (Accident Prevention Factor (FAP), Scholarships and Social Integration Program (PIS)); (vi) action for annulment of a tax assessment notice, filed by the Bank. The tax

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assessment notice the Bank intends to annul through the aforementioned action for annulment refers to the amount deducted by BANCOOB from the tax base in 2018. The deduction arose from the compensatory nature of the amount paid by Bancoob, as decided at an Extraordinary General Meeting, in relation to a failure in the provision of services under the Bank's responsibility.

#### Balance of contingent liabilities classified as involving possible losses

	Bank		Consolidated	
	2020	2019	2020	2019
Labor	21,423	17,012	22,026	17,219
Tax/social security	164,195	160,912	164,195	160,912
Civil	202,647	153,663	212,232	160,735
<b>Total</b>	<b>388,265</b>	<b>331,587</b>	<b>398,453</b>	<b>338,866</b>

#### b. Provisions for guarantees provided

	Bank and Consolidated			
	Years		2nd six-month period	
	2020	2019	2020	2019
<b>Balance at the beginning of the period</b>	250	208	87	328
Constitution (reversal)	(55)	42	108	(78)
<b>Balance at the end of the period</b>	<b>195</b>	<b>250</b>	<b>195</b>	<b>250</b>

Provisions are recorded for guarantees provided, subject to the same criteria established by Resolution 2,682/99. In 2020, R\$ 55 (R\$ 78 at 12/31/2019) was reversed.

## Note 20 - Equity

#### a. Share capital

Share capital is comprised of 1,003,744,529 shares (943,870,276 at 12/31/2019), of which 504,626,590 are common shares (474,525,166 at 12/31/2019) and 499,117,939 preferred shares (469,345,110 at 12/31/2019), all of which with no par value.

#### b. Capital reserve

The balance of R\$ 51 (R\$ 51 in 2019) relates to a gain on the sale of treasury shares.

#### c. Revenue reserve

In accordance with its bylaws, Bancoob appropriated 5% of adjusted profit for the period to the revenue reserve, which totaled R\$ 8,052 (R\$ 6,398 at 12/31/2019).

The amount of R\$ 145,331 (R\$ 115,485 at 12/31/2019) was transferred to "Revenue reserve - Other", to be allocated as decided at the next general meeting. The Bank also recorded mandatory dividends, totaling R\$ 7,649, which will be distributed upon authorization.

#### d. Dividends

Bancoob's shareholders are entitled to mandatory minimum dividends corresponding to 5% of adjusted profit for the year. Bancoob approved the distribution of dividends totaling R\$ 7,649, equivalent to R\$ 7.62 per thousand shares (R\$ 6,078, equivalent to R\$ 6.43 per thousand shares, at 12/31/2019).

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### e. Adjustment to market value

These are adjustments arising from the marking-to-market of available-for-sale securities, as required by BACEN Circular Letter 3,068/01, net of tax effects (Note 8).

## Note 21 - Operational limits - Basel Accord

The net assets of Bancoob's Prudential Conglomerate are consistent with the level of risk posed by its asset framework. In 2020, the Basel ratio was 13.47% (16.61% at 12/31/2019).

## Note 22 - Other items in the financial statements

### a. Other assets

#### a1. Payment transactions

	Bank		Consolidated	
	12/31/2020	12/31/2019	12/31/2020	12/31/2019
Payment transactions - Acquiring operations	3,739,775	3,439,504	3,779,596	3,478,820
Receivables from payment transactions - Card	5,736,586	4,357,757	5,736,586	4,357,757
<b>Total</b>	<b>9,476,361</b>	<b>7,797,261</b>	<b>9,516,182</b>	<b>7,836,577</b>
<b>Current</b>	<b>9,461,749</b>	<b>5,244,070</b>	<b>9,501,570</b>	<b>5,283,386</b>
<b>Non-current</b>	<b>14,612</b>	<b>2,553,191</b>	<b>14,612</b>	<b>2,553,191</b>

#### a2. Foreign exchange portfolio

	Bank		Consolidated	
	12/31/2020	12/31/2019	12/31/2020	12/31/2019
Purchase of foreign currency	187	8,060	187	8,060
<b>Total</b>	<b>187</b>	<b>8,060</b>	<b>187</b>	<b>8,060</b>
<b>Current</b>	<b>187</b>	<b>8,060</b>	<b>187</b>	<b>8,060</b>
<b>Non-current</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

#### a3. Other

	Bank		Consolidated	
	12/31/2020	12/31/2019	12/31/2020	12/31/2019
Clearing of checks and documents	8	297	8	297
Documents received from other participants of the systems	-	-	-	-
Taxes and contributions to be offset	121,133	100,021	143,959	115,278
Payments to be reimbursed	148,484	111,714	149,102	111,714
Notes and credits receivable	21,618	22,307	21,435	23,362
Sundry debtors - Brazil	62,484	52,994	63,004	53,448
Prepaid expenses	64,660	64,266	66,286	65,855
Other	26,388	25,684	31,773	26,576
<b>Total</b>	<b>444,775</b>	<b>377,283</b>	<b>475,567</b>	<b>396,530</b>
<b>Current</b>	<b>390,373</b>	<b>314,280</b>	<b>420,415</b>	<b>332,909</b>
<b>Non-current</b>	<b>54,402</b>	<b>63,003</b>	<b>55,152</b>	<b>63,621</b>

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### a4. Provision for other assets

	Bank		Consolidated	
	12/31/2020	12/31/2019	12/31/2020	12/31/2019
Provision for receivables from payment transactions	71,442	51,967	71,442	51,967
Provision for other credit risk losses	663	1,774	663	1,774
<b>Total</b>	<b>72,105</b>	<b>53,741</b>	<b>72,105</b>	<b>53,741</b>
<b>Current</b>	<b>71,249</b>	<b>51,945</b>	<b>71,249</b>	<b>51,945</b>
<b>Non-current</b>	<b>856</b>	<b>1,796</b>	<b>856</b>	<b>1,796</b>

## b. Other liabilities

### b1. Payment transactions

	Bank		Consolidated	
	12/31/2020	12/31/2019	12/31/2020	12/31/2019
Prepaid payment account	-	-	41,040	29,606
Payment transactions	4,804,890	3,589,860	4,804,903	3,589,886
Obligations related to payment transactions	2,535,306	2,417,074	2,589,779	2,469,402
Obligations related to payment arrangement services	1,675	1,029	1,675	1,029
<b>Total</b>	<b>7,341,871</b>	<b>6,007,963</b>	<b>7,437,397</b>	<b>6,089,923</b>
<b>Current</b>	<b>7,341,871</b>	<b>6,007,963</b>	<b>7,437,397</b>	<b>6,089,923</b>
<b>Non-current</b>	-	-	-	-

### b2. Tax and social security obligations

	Note	Bank		Consolidated	
		12/31/2020	12/31/2019	12/31/2020	12/31/2019
Provision for income tax		40,960	69,906	55,064	78,274
Provision for social contribution		32,342	44,318	39,620	48,732
Taxes and contributions on third-party services		5,432	4,215	5,996	4,758
Taxes and contributions on salaries		4,655	4,931	6,650	7,026
Other taxes		16,778	16,516	21,485	20,527
<b>Total</b>		<b>100,167</b>	<b>139,886</b>	<b>128,815</b>	<b>159,317</b>
<b>Current</b>		<b>99,638</b>	<b>139,357</b>	<b>128,286</b>	<b>158,788</b>
<b>Non-current</b>		<b>529</b>	<b>529</b>	<b>529</b>	<b>529</b>

### b3. Foreign exchange portfolio

	Note	Bank		Consolidated	
		12/31/2020	12/31/2019	12/31/2020	12/31/2019
Obligations related to foreign currency purchases		187	8,070	187	8,070
<b>Total</b>		<b>187</b>	<b>8,070</b>	<b>187</b>	<b>8,070</b>
<b>Current</b>		<b>187</b>	<b>8,070</b>	<b>187</b>	<b>8,070</b>
<b>Non-current</b>		-	-	-	-

# Notes to the financial statements

## December 31, 2020 and 2019

All amounts in thousands of reais unless otherwise stated

### b4. Other

	Bank		Consolidated	
	12/31/2020	12/31/2019	12/31/2020	12/31/2019
Interdepartmental accounts	16,331	21,560	16,331	21,560
Collection of taxes and similar charges	11,495	12,237	11,495	12,237
Payables to members of terminated consortia	-	-	18,787	9,595
Obligations related to official agreements	30,422	30,395	30,422	30,394
Personnel expenses	12,944	12,437	20,561	19,478
Administrative expenses	117,702	91,183	105,953	90,339
Credit card	167,990	249,535	167,991	249,535
Expenses with lending operations	152,214	94,727	152,214	94,727
Acquiring operations	75,562	99,565	75,562	99,565
Other	38,222	33,547	223,019	70,341
<b>Total</b>	<b>622,882</b>	<b>645,186</b>	<b>822,335</b>	<b>697,771</b>
<b>Current</b>	<b>621,249</b>	<b>643,635</b>	<b>819,854</b>	<b>695,999</b>
<b>Non-current</b>	<b>1,633</b>	<b>1,551</b>	<b>2,481</b>	<b>1,772</b>

### c. Foreign exchange results

	Bank and Consolidated			
	Years		2nd six-month period	
	2020	2019	2020	2019
Foreign exchange gains	9,140	3,067	1,491	1,723
Foreign exchange losses	98	444	68	54
<b>Total</b>	<b>9,042</b>	<b>2,623</b>	<b>1,423</b>	<b>1,669</b>

### d. Income from services rendered and banking fees

	Bank				Consolidated	
	Years		2nd six-month period		Years	
	2020	2019	2020	2019	2020	2019
Sicoob Agreement	8,866	13,349	4,737	4,886	8,866	13,349
Income from banking fees (a)	21,302	27,866	10,607	11,724	21,302	27,866
Income from fund services	2,814	2,356	1,326	1,436	2,814	2,356
Income from fund management services	-	-	-	-	12,833	12,455
Income from consortium management services	-	-	-	-	215,807	165,557
Income from credit card services (b)	539,359	509,632	279,226	268,306	550,910	517,623
Income from prepayments of obligations related to payment transactions	249,680	366,141	123,238	182,230	249,771	366,218
Income from collection services for public utility companies (c)	91,827	71,450	49,081	36,529	91,827	71,450
Income from banking fees	54	61	23	29	54	61
Income from acquiring operations	4,987	2,763	3,033	1,626	4,987	2,763
Other income - sundry	57,470	65,581	32,420	25,917	84,347	91,655
<b>Total</b>	<b>976,359</b>	<b>1,059,199</b>	<b>503,691</b>	<b>532,683</b>	<b>1,243,518</b>	<b>1,271,353</b>

(a) Relate to services provided to Sicoob members that are not related to banking fees.

(b) Relate to exchange services, withdrawals, electronic checks, annual fees of cards, credit card management services etc.

(c) Relate to fees charged for collection services rendered to public utility companies.

## Notes to the financial statements

December 31, 2020 and 2019

All amounts in thousands of reais unless otherwise stated

### e. Balances of other operating income

	Bank				Consolidated	
	Years		2nd six-month period		Years	
	2020	2019	2020	2019	2020	2019
Recovery of charges and expenses	8,551	9,232	5,334	4,263	8,551	9,232
Income from credit card operations (a)	74,800	65,610	27,409	35,858	75,580	66,233
Acquiring operations	246,239	266,603	134,502	134,249	246,239	266,603
Other	1,329	1,576	579	819	9,586	6,220
<b>Total</b>	<b>330,919</b>	<b>343,021</b>	<b>167,824</b>	<b>175,189</b>	<b>339,956</b>	<b>348,288</b>

(a) Total income from credit card operations (Note 22d).

### f. Personnel expenses

	Bank				Consolidated	
	Years		2nd six-month period		Years	
	2020	2019	2020	2019	2020	2019
Fees paid to officers and directors	10,748	8,654	5,604	4,460	15,151	13,415
Salaries (a)	74,059	68,608	38,303	35,955	110,440	98,981
Social charges (b)	34,162	29,835	17,953	15,561	48,905	42,188
Benefits (c)	22,787	20,793	11,704	10,997	42,858	36,996
Training	1,500	4,256	464	2,432	1,797	5,120
Interns' compensation	730	762	352	390	1,578	1,611
<b>Total</b>	<b>143,986</b>	<b>132,908</b>	<b>74,380</b>	<b>69,795</b>	<b>220,729</b>	<b>198,311</b>

(a) Relates mainly to salaries, overtime, and provisions for 13th month salary and vacation pay.

(b) Relate mainly to provisions for the National Institute of Social Security (INSS) and Government Severance Indemnity Fund for Employees (FGTS) charges.

(c) Relate mainly to health care benefits, and transportation and meal vouchers provided to employees.

### g. Administrative expenses

	Bank				Consolidated	
	Years		2nd six-month period		Years	
	2020	2019	2020	2019	2020	2019
Water, electricity, gas, maintenance and upkeep	506	212	318	136	1,640	1,453
Communication	27,078	30,418	11,416	15,881	40,599	39,459
Materials	323	610	49	292	1,334	1,560
Data processing	45,279	53,069	22,818	24,631	36,313	52,523
Advertising and publicity	79,361	65,411	48,052	41,382	83,005	71,847
Financial system services	35,226	36,938	18,595	19,392	36,114	37,828
Outsourced services	31,445	32,637	16,731	17,927	188,695	42,607
Specialized technical services	27,783	19,535	17,504	9,908	23,547	15,095
Depreciation and amortization	8,577	8,170	4,314	4,159	15,121	14,354
Travel	1,174	5,335	26	2,453	1,246	5,596
Other administrative expenses	12,874	13,366	8,003	8,587	16,955	18,066
<b>Total</b>	<b>269,626</b>	<b>265,701</b>	<b>147,826</b>	<b>144,748</b>	<b>444,569</b>	<b>300,388</b>

## Notes to the financial statements

December 31, 2020 and 2019

All amounts in thousands of reais unless otherwise stated

### h. Other operating expenses

	Bank				Consolidated	
	Years		2nd six-month period		Years	
	2020	2019	2020	2019	2020	2019
Contingencies	1,838	2,166	970	1,187	2,407	2,240
Expenses related to transaction payment services	414,642	414,487	199,750	212,903	350,618	386,257
Commissions on lending operations	407,009	273,188	226,347	163,825	407,009	273,188
Acquiring operations	382,504	468,274	196,496	236,843	382,504	468,274
Other operating expenses	84,005	66,587	47,255	36,652	85,219	161,794
<b>Total</b>	<b>1,289,998</b>	<b>1,224,702</b>	<b>670,818</b>	<b>651,410</b>	<b>1,227,757</b>	<b>1,291,753</b>

### i. Non-operating income (expenses)

	Bank				Consolidated	
	Years		2nd six-month period		Years	
	2020	2019	2020	2019	2020	2019
Non-operating income	8,657	61	1,578	61	8,658	69
Non-operating expenses	18	29	-	-	41	31
Amortization of goodwill - Cabal Brasil Ltda.	4,763	2,157	3,473	1,174	4,763	2,157
<b>Total</b>	<b>3,876</b>	<b>(2,125)</b>	<b>(1,895)</b>	<b>(1,113)</b>	<b>3,854</b>	<b>(2,119)</b>

### j. Recurring and non-recurring income (expenses)

There was no recurring income (expenses) in 2020.

## Note 23 - Related-party transactions

### a. Sicoob System

As described in Note 1, Bancoob was created to provide financial, technical and operational services to credit unions, pursuant to Article 88 of Law 5,764/71.

The transactions carried out between Bancoob and the Sicoob system are shown below:

	Note	12/31/2020	12/31/2019
<b>Assets</b>		12,908,840	9,586,724
Lending operations and interbank onlendings		12,856,702	9,530,392
Receivables		4,365	4,337
Prepaid expenses - commission		47,773	51,995
<b>Liabilities</b>		46,427,017	30,326,834
Deposits		41,385,172	26,164,436
Repurchase agreements		4,090,337	3,155,650
Payables		951,507	1,006,748
		<b>12/31/2020</b>	<b>12/31/2019</b>
<b>Revenue</b>		963,111	977,579
Lending operations and interbank onlendings		640,463	664,463
Other income		322,648	313,116
<b>Expenses</b>		1,762,888	2,444,154
Funding		1,015,336	1,758,149
Other expenses		747,552	686,005

## Notes to the financial statements

December 31, 2020 and 2019

All amounts in thousands of reais unless otherwise stated

### b. Subsidiaries

	Bancoob DTVM		Bancoob PAR		Cabal		Consórcio Ponta	
	12/31/2020	12/31/2019	12/31/2020	12/31/2019	12/31/2020	12/31/2019	12/31/2020	12/31/2019
<b>Assets</b>	<b>57</b>	<b>27</b>	-	-	-	<b>107</b>	<b>125</b>	<b>111</b>
Receivables	57	27	-	-	-	107	125	111
<b>Liabilities</b>	<b>6,516</b>	<b>2,164</b>	<b>541</b>	<b>558</b>	<b>249,113</b>	<b>77,015</b>	<b>95,003</b>	<b>74,826</b>
Demand deposits	2	3	30	1	373	964	5	10
Time deposits	6,514	2,161	511	557	228,847	66,682	94,998	74,816
Payables	-	-	-	-	19,893	9,369	-	-
	<b>12/31/2020</b>	<b>12/31/2019</b>	<b>12/31/2020</b>	<b>12/31/2019</b>	<b>12/31/2020</b>	<b>12/31/2019</b>	<b>12/31/2020</b>	<b>12/31/2019</b>
<b>Expenses</b>	<b>184</b>	<b>193</b>	<b>14</b>	<b>173</b>	<b>101,938</b>	<b>80,163</b>	<b>2,280</b>	<b>4,384</b>
Funding expenses	184	193	14	173	2,023	3,113	2,280	4,384
Administrative expenses	-	-	-	-	99,915	77,050	-	-
<b>Revenues</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14</b>	<b>14</b>	<b>1,273</b>	<b>1,114</b>
Sundry income	-	-	-	-	14	14	1,273	1,114

### c. Remuneration of key management

Key management personnel include the directors and officers. At the General Shareholders' Meetings, which are held on an annual basis, the maximum aggregate compensation payable to the Board of Directors and Executive Board is established.

The compensation paid or payable to officers and directors for their services is shown below:

	2nd six-month period	Bank		Consolidated	
		12/31/2020	12/31/2019	12/31/2020	12/31/2019
Fees	4,834	9,109	7,148	12,216	10,272
Benefits	1,256	2,746	2,311	4,096	3,579
Charges	1,188	2,300	1,803	3,072	2,468
<b>Total</b>	<b>7,278</b>	<b>14,155</b>	<b>11,262</b>	<b>19,384</b>	<b>16,319</b>

## Note 24 - Other information

### a. Agreements for offsetting payables against receivables with the same financial institution

As established in CMN Resolution 3,263/05, Bancoob has investments in financial institutions which allow it to offset payables against receivables held with these institutions. The amounts receivable and payable are stated in the balance sheet in the respective line items, under assets and liabilities.

The amounts subject to offsetting are summarized below:

Description	12/31/2020			12/31/2019		
	Receivables	Payables	Net amount	Receivables	Payables	Net amount
Time deposit/CDI	1,862,333	810,893	1,051,440	1,073,858	882,023	191,835
<b>Total</b>	<b>1,862,333</b>	<b>810,893</b>	<b>1,051,440</b>	<b>1,073,858</b>	<b>882,023</b>	<b>191,835</b>

### b. Insurance

Bancoob's assets subject to risks are insured at amounts deemed sufficient to cover any losses, taking into consideration the nature of its activities.



## Notes to the financial statements

### December 31, 2020 and 2019

All amounts in thousands of reais unless otherwise stated

#### c. Guarantees provided

The guarantees provided through financial charges, relating to endorsements and sureties, totaled R\$ 16,104 at December 31, 2020 (R\$ 17,501 at 12/31/2019). In 2020, R\$ 55 was reversed from the provision (reversal of R\$ 78 at 12/31/2019).

#### d. Employee benefits

##### Private pension

Bancoob sponsors the Sicoob Private Pension Foundation (Sicoob Previ), established in November 2006, which provides its participants and their dependents with pension benefits, in the form of a defined contribution plan, to supplement the benefits provided by the official social security system.

At December 31, 2020, Sicoob Previ had 589 active participants (579 in 2019), whose contributions totaled R\$ 4,181 (R\$ 3,969 in 2019).

#### e. Profit sharing

Bancoob offers profit sharing to its employees, which is calculated in accordance with the Collective Labor Agreement. In 2020, R\$ 13,106 (R\$ 12,733 at 12/31/2019), and R\$ 14,940 (R\$ 14,286 at 12/31/2019) in the consolidated, was recorded as a "Provision for profit sharing".

#### f. Effects of the COVID-19 pandemic

In 2020, the global economy was adversely impacted by the contagion of the new coronavirus (COVID-19), which was raised to a pandemic level by the World Health Organization (WHO).

Sicoob - Sistema de Cooperativas de Crédito do Brasil, its individual and central credit unions, third-level institutions (Sicoob Confederation and Bancoob), affiliated companies, and sponsored foundation have implemented measures to manage operations and provide support for employees, members and their communities to mitigate the effects of the COVID-19 pandemic.

Bancoob permanently monitors impacts that may affect its operations and results. In addition to the actions of regulatory and governmental entities to promote the safety of its staff and organizations, since March 13, 2020, Sicoob's Crisis Committee and Crisis Group have been mandated to take action regarding the pandemic by continuously monitoring its effects and impacts on operations, and providing the System's institutions with guidance on strategic, operational, prudential, and business aspects, among other matters.

##### Main actions taken:

- Creation of the Sicoob Crisis Committee and Crisis Group ensuring a uniform approach and timely dissemination of information to internal and external audiences.
- Prioritizing working from home.
- Provision of ongoing guidance specific to employees working from home, on how to conduct operations and serve the credit union members.
- Suspension of all travel.
- Replacement of in-person meetings with video conferences.
- Increased cleaning of environments and areas.
- Maintenance of banking services which are essential for the population.
- Encouragement of the use of digital tools and channels to access services on the Internet or cell phones.

## Notes to the financial statements

December 31, 2020 and 2019

*All amounts in thousands of reais unless otherwise stated*

### Provisions for expected credit losses

Bancoob has been monitoring and taking a preventive approach in the assessment of the quality of its entire loan portfolio, adopting, whenever necessary, measures to reinforce its provisions, particularly for associates from the industries most affected by the economic crisis triggered by the COVID-19 pandemic.

During 2020, following the best practices, a number of studies were conducted to anticipate, provide guidance on, and mitigate the economic impacts of the pandemic on the various portfolios.

### Other identified/expected effects

Governmental and regulatory measures have been taken at the level of the National Financial System, providing support for enterprises and mitigating the impacts of the pandemic:

- Postponement of the collection of taxes, pursuant to Ordinance 139/2020 of the Ministry of Economy.
- Change in the tax rate of the Tax on Financial Transactions (IOF) (Decree 10,414 has reduced to zero the IOF rate for lending operations carried out between 4/3/2020 and 10/2/2020).
- The Emergency Employment Support Program (Pese) offers emergency credit lines to fund the payroll of small and medium-sized companies - CMN Resolution 4,800/2020
- Loans backed by financial bills collateralized by lending operations.

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## **Bancoob's Management Bodies**

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### **Board of Directors**

Miguel Ferreira de Oliveira - Chairman  
Rui Schneider da Silva - Vice Chairman  
Aifa Naomi Uehara de Paula  
Bento Venturim  
Clidenor Gomes Filho  
Felipe Magalhães Bastos  
Geraldo Souza Ribeiro Filho  
Hudson Tabajara Camilli  
Ivan Capra  
Ivo Azevedo de Brito  
José Evaldo Campos  
Luiz Antônio Ferreira de Araújo  
Luiz Gonzaga Viana Lage  
Marcelo Baiocchi Carneiro  
Marcelo Martins  
Wilson Geraldo Cavina

### **Executive Board**

Marco Aurélio Borges de Almada Abreu - Chief Executive Officer  
Antônio Cândido Vilaça Junior - Executive Officer  
Ênio Meinen - Executive Officer  
Francisco Silvío Reposse Junior - Executive Officer  
Marcos Vinícius Viana Borges - Executive Officer  
Rubens Rodrigues Filho - Executive Officer

### **Accountant**

Primo João Cracco  
CRC-SP 149.703/O-2

## Summary of the Audit Committee Report

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### Introduction

1. The Audit Committee of Bancoob is a statutory body whose purpose is to advise the Board of Directors on the financial statements, the effectiveness of the internal control system and risk management, and the work performed by internal and independent auditors.
2. Under statutory and regulatory terms, in addition to Banco Cooperativo do Brasil S/A - Bancoob, the activities of the Audit Committee also address the following companies that comprise the Bancoob Group: Bancoob Distribuidora de Títulos e Valores Mobiliários Ltda. - Bancoob DTVM, Ponta Administradora de Consórcios Ltda. and Cabal Brasil Ltda.
3. The Management of Bancoob and of the companies that comprise the Group are responsible for preparing and ensuring the integrity of the financial statements, managing risks, maintaining an effective and consistent system of internal controls and ensuring compliance with legal and regulatory standards.
4. The Internal Audit performs, in an independent manner, regular assessments of the risk management activities and of the suitability and effectiveness of internal controls in all Group companies.
5. PricewaterhouseCoopers Auditores Independentes ("PwC") is the independent audit firm hired to provide audit services on the financial statements of Bancoob and of the companies that make up the Group. The Independent Auditor is responsible for:
  - a) expressing an opinion as to whether the financial statements present fairly, in all material respects, the financial position of Bancoob and the Group companies, in accordance with accounting practices adopted in Brazil, applicable to institutions authorized to operate by the Brazilian Central Bank (BACEN); and
  - b) assessing the suitability and quality of the internal control system, in connection with the audit of the financial statements, including the risk management system and compliance with legal and regulatory requirements.

### Audit Committee Activities

6. In compliance with legal and regulatory requirements, the Audit Committee:
  - a) held, in the second half of 2020, five regular meetings;
  - b) acted independently in the performance of its duties, always supported by information received from Management, the independent and internal auditors, and the officers responsible for risk and internal control management, and also based on its own conclusions arising from direct observation;
  - c) followed the process of preparation of the financial statements; assessed the relevant aspects, comprehensiveness, compliance and clarity of the notes to the financial statements; examined the accounting practices adopted, the procedures used for the constitution of provisions, and read the independent auditor's report on the parent company and consolidated financial statements;
  - d) held meetings with the Executive Board, the Board of Directors and the Risk Committee, suggesting improvements to the relevant function in situations where opportunities for improvement were identified;
  - e) monitored and evaluated the work performed by the Internal Audit Function; the Independent Audit conducted by PwC; the management of credit, market, interest rate, liquidity, operational, socio-environmental, reputational, compliance, strategy and cyber security risks; business continuity; Prevention of Money Laundering and Terrorism Financing; Risk Appetite Statement (RAS); and the Stress Testing Program (STP); and

## Summary of the Audit Committee Report

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- f) provided management with recommendations, which were included in the minutes of meetings, filed, and made available to all management bodies.

### Internal control and risk management system

7. At meetings held with the responsible areas, and through the analysis of the information and documents requested and made available by Management, the Audit Committee evaluated aspects relating to the Group's internal control and risk management, and did not identify non-compliances with laws, regulations, and internal rules, which could put the organization at risk.
8. In the second six-month period of 2020, no errors, fraud or non-compliance with statutory or regulatory provisions were reported through the communication channels made available to the employees. During this period, we highlight the monitoring of the measures taken by management, and the simulations, under stress scenarios, of the impacts of the COVID-19 pandemic on the credit, liquidity, and capital risks to which Sicoob's institutions are exposed.
9. The Audit Committee considers that the internal control system and the risk management processes are appropriate to the size and complexity of the operations of Bancoob and companies comprising the Group. Furthermore, Management is continuously striving to improve the systems, processes and procedures.

### Independent Audit

10. PwC, the independent auditors, presented the results of their work and relevant accounting aspects at the Audit Committee's monthly meetings. No situations have been identified that could affect the objectivity and independence of the audit work.
11. The Audit Committee considers satisfactory the work performed by the Independent Audit function, which confirms the Committee's opinion on the integrity of the consolidated financial statements at 12/31/2020.

### Internal Audit

12. In accordance with the annual planning approved by the Board of Directors, the Internal Audit presented, at the Audit Committee's monthly meetings, the result of the work carried out, which did not identify any residual risks that could affect the strength and continuity of the operations of Bancoob and the Group companies.
13. The Audit Committee assesses as positive the scope and quality of the work performed by the Internal Audit Function.

### Financial Statements

14. The analyses addressed the procedures adopted in the preparation of parent company and consolidated trial balances and balance sheets, notes to the financial statements, and financial reports disclosed together with the consolidated financial statements.
15. The Audit Committee concluded that the consolidated financial statements at December 31, 2020 were prepared in compliance with legal and regulatory standards, and in accordance with accounting practices adopted in Brazil, reflecting, in all material respects, the financial position of the Bancoob Group for the period then ended.

Brasília, February 4, 2021.

Rubens Rodrigues Filho  
Coordinator

Marcos Vinicius Viana Borges

Rafael Alves Horta