

(A free translation of the original in Portuguese)

Sistema de Cooperativas de Crédito do Brasil - Sicoob

***Combined financial statements at
June 30, 2021
and independent auditor's report***



(A free translation of the original in Portuguese)

Independent auditor's report

To the Management and Members
Sistema de Cooperativas de Crédito do Brasil - Sicoob

Opinion

We have audited the accompanying combined financial statements of Sistema de Cooperativas de Crédito do Brasil - Sicoob ("Sistema Sicoob" or "Institution"), consisting of the entities listed in Note 2.5, which comprise the combined balance sheet as at June 30, 2021 and the combined statements of income, comprehensive income, changes in equity and cash flows for the six-month period then ended, and notes to the combined financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the combined financial position of Sistema de Cooperativas de Crédito do Brasil - Sicoob as at June 30, 2021, and its combined financial performance and cash flows for the six-month period then ended, in accordance with the guidelines for the preparation of combined financial statements established by Resolution 4,151 of the National Monetary Council (CMN), dated October 30, 2012, and the additional regulations issued by the Brazilian Central Bank (BACEN), as described in Notes 2 and 3.

Basis for opinion

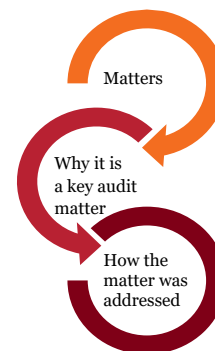
We conducted our audit in accordance with Brazilian and International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the combined financial statements section of our report. We are independent of the Institution 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.

Emphasis of matter - Basis of preparation of the combined financial statements

We draw attention to Note 2 to the combined financial statements, which describes that the Institution's combined financial statements were prepared by management in order to meet the requirements of CMN Resolution 4,151/2012 as well as BACEN's additional regulations. Consequently, our report on these combined financial statements was prepared, exclusively, to meet these specific requirements and, therefore, may not be suitable for other purposes. Our opinion is not modified in respect of this matter.

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 six-month period. These matters were addressed in the context of our audit of the combined financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



Why it is a Key Audit Matter	How the matter was addressed in the audit
<p>Provisions for expected losses from credit risks (Notes 3.8, 6.3.2, 6.3.3 and 22.2)</p>	
<p>The provisions for expected losses from credit risks rely on Management’s judgment.</p>	
<p>The provisions for expected losses from credit risks are recorded in accordance with the regulatory requirements of the National Monetary Council (CMN) and the Brazilian Central Bank (BACEN), especially CMN Resolution 2,682/1999, and are based on the analyses of outstanding receivables.</p>	<p>We updated our understanding and tested the internal controls that are significant to the calculation and recording of the provisions for expected losses from credit risks of Banco Cooperativo Sicoob S.A. including the : (i) credit approval policy; (ii) credit analysis; (iii) granting of credit and renegotiated transactions; (iv) determination of ratings score for risk of non recoverability; (v) processing and recording provisions; (vi) reconciliation of account balances with the analytical position; and (vii) preparation of the notes to the combined financial statements.</p>
<p>Management continues to monitor possible effects from COVID-19 that may affect the operations and results.</p>	<p>We conducted tests to determine the completeness of the database used for the provisions for expected losses from credit risks. We tested the methodology used for the provisions reflecting their respective ratings, assumptions applied and comparison of the account balances with the analytical reports.</p>
<p>This matter remained as an area of focus in our audit.</p>	<p>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>We consider that the criteria and assumptions adopted by Management to calculate and record the provisions for expected losses from credit risks to be reasonable, in all material respects, in the context of the financial statements taken as a whole.</p>



Why it is a Key Audit Matter	How the matter was addressed in the audit
<p data-bbox="258 459 845 526">Provisions for contingent liabilities (Notes 3.19 and 13)</p> <p data-bbox="258 548 845 683">The institutions comprising the Sistema Sicoob are parties to tax, labor and civil proceedings, at the administrative and judicial levels, arising from the normal course of their business.</p> <p data-bbox="258 705 845 840">These proceedings generally require a considerable length of time until a definitive resolution is reached involving complex procedural aspects, as per the relevant legislation.</p> <p data-bbox="258 862 845 996">Management must apply its judgment in determining the need and the measurement of a contingent liability which is reassessed periodically and as new developments occur.</p> <p data-bbox="258 1019 845 1086">This area matter continued to be an area of focus in our audit.</p>	<p data-bbox="845 548 1473 705">Our audit procedures included, among others, updating our understanding of and testing the processes for the identification and recording of contingent liabilities and disclosures in the explanatory notes.</p> <p data-bbox="845 728 1473 952">We performed confirmation procedures with the law firms responsible for accompanying the administrative and judicial proceedings to evaluate Management's assessments, including for new events that occurred during the six-month period, and tested the completeness of information and sufficiency of the provisions.</p> <p data-bbox="845 974 1473 1131">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 taken as a whole.</p>
<p data-bbox="258 1176 845 1220">Information technology environment</p> <p data-bbox="258 1243 845 1400">Banco Cooperativo Sicoob S.A. operates in a business environment that is highly dependent on technology, requiring a complex infrastructure to support the volume of transactions processed daily by its legacy systems.</p> <p data-bbox="258 1422 845 1624">The information technology risks inherent to the processing and control required to supporting the technology systems, including those legacy systems, may result in the incorrect processing of critical information, including that used in the preparation of the financial statements.</p> <p data-bbox="258 1646 845 1713">This matter remained an area of focus in our audit.</p>	<p data-bbox="845 1243 1473 1400">With the assistance of our system experts, we reviewed the design and tested the operating effectiveness of the internal controls related to the management of the information technology environment.</p> <p data-bbox="845 1422 1473 1624">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 supporting the Banco Cooperativo Sicoob S.A. businesses.</p> <p data-bbox="845 1646 1473 1803">We consider that the information technology general controls environment provides a reasonable basis to determine the nature, period and extent of our audit procedures on the financial statements.</p>



Sistema de Cooperativas de Crédito do Brasil - Sicoob

Other information accompanying the combined 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 combined 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 combined 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.

Responsibilities of management and those charged with governance for the combined financial statements

Management is responsible for the preparation and fair presentation of the combined financial statements in accordance with CMN Resolution 4,151/2012 as well as BACEN's additional regulations, the main criteria for which and respective accounting practices are described in Notes 2 and 3 to the combined financial statements, and for such internal control as management determines is necessary to enable the preparation of combined financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the combined 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 Institution's financial reporting process.

Auditor's responsibilities for the audit of the combined financial statements

Our objectives are to obtain reasonable assurance about whether the combined 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 combined 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.




Sistema de Cooperativas de Crédito do Brasil - Sicoob

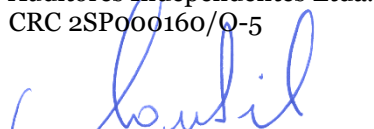
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Institution's internal control.
- Evaluate the appropriateness of accounting 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 combined 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.
- Evaluate the overall presentation, structure and content of the combined financial statements, including the disclosures, and whether these 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 combined 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 six-month period 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, October 22, 2021


PricewaterhouseCoopers
Auditores Independentes Ltda.
CRC 2SP000160/O-5


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

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The image shows a modern building with a glass facade and a prominent 'SICOOB' logo on the upper right. The logo consists of a stylized triangle above the word 'SICOOB'. The building is set against a dark blue background with some greenery in the foreground.

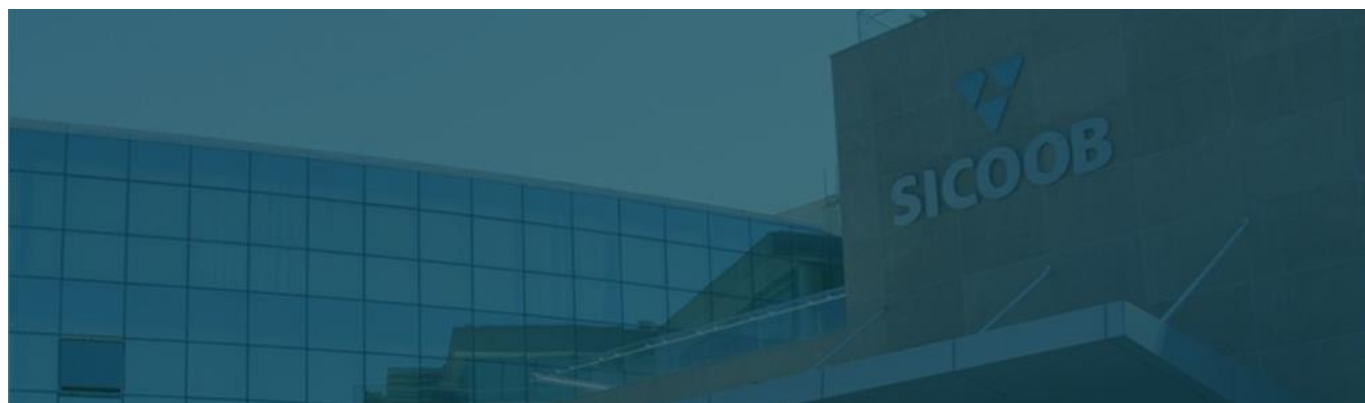
SICOOB

COMBINED FINANCIAL STATEMENTS

SISTEMA DE COOPERATIVAS DE CRÉDITO DO BRASIL - SICOOB

JUNE 30, 2021





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Management Report

at June 30, 2021

To the Managers and Members of Sicoob,

We are pleased to present herein the Combined Financial Statements of Sistema de Cooperativas de Crédito do Brasil - Sicoob at June 30, 2021, which provides the current financial position and results of the expanded service network, with details of innovations in the area of information technology.

Macroeconomic Scenario

In the first six months of 2021, having been hit by COVID-19 pandemic, the global economy continued an upward trend that started in the second half of last year. The beginning of the vaccination process around the world and the gradual easing of restrictions in some regions provided an additional stimulus for the recovery of major economies, although specific outbreaks caused by new variants of the virus continue to cause concern over recent months.

In Brazil, GDP grew 1.2% in 1Q21 when compared to 4Q20 on a seasonally adjusted basis (1.0% in comparison with 1Q20). The highlight was the Agribusiness sector, which grew 5.7%, driven by the strong external demand and a favorable exchange rate. Industrial GDP increased by 0.7%, a performance that was boosted by the Extractive Industries (3.2%) and the Civil Construction sector (2.1%), while the Manufacturing Industry decreased by 0.5% in the period, affected by the shortage and high cost of inputs, as well as by the aftereffects of the strong growth recorded in the last half of 2020.

GDP for services grew at the modest rate of 0.4%, as the sector felt the restrictions caused by the second wave of the virus between March and April.

The labor market has shown signs of improvement, at least with respect to formal employment. According to data from the Ministry of the Economy (Caged), 1.5 million net jobs were created in the first six months of the year. All the key sectors showed a positive variation in the number of formal jobs: services (631 thousand), industry (340 thousand), commerce (234 thousand), civil construction (178 thousand) and agribusiness (152 thousand).

Lending operations were up throughout the first half of the year, recording a 1.7% increase over the second half of 2020 in seasonally adjusted terms, and an 8.0% year-on-year increase in real terms. The growth was driven by personal loans, which increased by 4.1% in the seasonally adjusted margin, while the margin of loans for legal entities decreased by 0.8%. In the personal banking portfolio, non-earmarked credit, more consumption-oriented, showed an increase in 2Q21, after the closure of activities at the end of 1Q21 due to the second wave of the pandemic. In the corporate banking portfolio, the reduction in the margin resulted from the end of the government assistance programs for companies, and the consequent reduction in the volume of directed credit. The external modalities also grew in the period, favored by the exchange rate devaluation.

Official inflation, measured by the Broad Consumer Price Index (IPCA), continued under pressure in the beginning of 2021; up to June the index increased by 3.77%, having exceeded the target for the whole year of 3.75%. Until June 2021, the index was primarily affected by the transportation sector (1.6 p.p. and increase of 8.2%), aggravated by a hike in fuel prices. The second major contribution was from the food sector (0.6 p.p., up 2.7%), driven by the rise in meat prices, followed by household expenses (0.5 p.p., up 3.3%), impacted by the higher prices of bottled gas.

In view of the faster recovery of the economy and the higher inflation rate, reflected also on the on the IPCA projections for 2021 and 2022, the Brazilian Central Bank started in March a process of monetary alignment. Once the Selic rate has ended 2020 at a record low rate of

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2%, the Monetary Policy Committee (COPOM) carried out three increases of 75 bps in the first half of the year, raising the base rate to 4.25% per year. The COPOM had already indicated its intention to adjust the Selic rate to a neutral level, which should be close to 7% by 2021, considering that the equilibrium real interest rate is estimated at approximately 3%, and inflation for next year is expected to be just below 4%.

In the international scenario, the main economies continued to recover, although at differing paces. In the United States, the strong annualized growth was recorded in the first and second quarters of 2021, of 6.3% and 6.5%, respectively, amidst a context of intense monetary and fiscal stimulus and as the effects of the pandemic waned, allowing for a resumption of activities.

Europe, on the other hand, was hit by a third wave of the pandemic at the beginning of the year, which required a return to restrictions in most countries, and resulted in a fall in GDP of 0.3% in the Eurozone and 1.6% in the UK in 1Q21. With the easing of restrictions, GDP in these regions is expected to have resumed growth in 2Q21. China has kept up the momentum, albeit leveling off. Despite the weak fundamentals of the 1st half of 2020, Chinese GDP showed strong annual expansion of 18.3% in 1Q21 and 7.9% in 2Q21.

In the domestic markets, asset values followed, to a great extent, the external trends, despite the internal turbulence, mostly of a political nature, which increased volatility. After closing 2020 at R\$ 5.20/US\$1.00, the BRL/USD exchange rate witnessed periods of great instability, reaching R\$ 5.80/US\$1.00 in the beginning of March. Since then, the global stabilization of the dollar exchange rate, the interest rate readjustment carried out by the Brazilian Central Bank, and signs of improvement in internal economic and fiscal conditions have allowed the Brazilian currency to recover, which closed the first half of the year at R\$ 5.00/US\$ 1.00.

In short, the first six-month period of 2021 was marked by the continued global recovery from the economic and health disruption caused by the COVID-19 pandemic, although the event and its impacts have not yet been fully overcome. In this respect, new waves of infection caused by variants of SARS-CoV-2, with recurrent peaks of cases and deaths in several regions around the world, have shown that total recovery will only be achieved once the vaccination programs are complete. Brazil mirrors the rest of the world, although further burdened by a turbulent political environment coupled by an already fragile fiscal environment. Brazil must move forward with its structural reforms to be able to deal with the challenges disrupting a balanced economic framework, and reduce interest rates which is fundamental for a gradual resumption of growth.

Sicoob

Sicoob, a Brazilian credit union system, has over 5.4 million members and 3.6 thousand service units operating throughout Brazil. The System is comprised of credit unions and supporting companies, which, together, provides the Sicoob members with services related to current account, credit, investment, credit cards, social security, consortium, insurance, bank collection, and merchant acquiring operations, among others. Despite not being a bank, Sicoob provides the same services as banking networks, operating as a financial credit union with the clients as the owners, and, therefore, share in the results.

Performance

a. Total assets

In June 2021, total assets amounted to R\$ 177.8 billion, a growth of 12.8% when compared to December 2020.

b. Loan portfolio

The loan portfolio net of provision was R\$ 96.2 billion, a significant increase of 14.6% in relation to the prior year's balance. With a total portfolio of R\$ 62.3 billion, loans and discounted notes grew by 9.8%. Financing increased by 24.0%, totaling R\$ 14.1 billion. The balance of rural and agribusiness financing totaled R\$ 24.3 billion at the end of June 2021, up 19.4% in comparison with 2020, while the provisions, which increased only 2.3%, totaled R\$ 4.8 billion.

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c. Expanded loan portfolio

The expanded loan portfolio, which includes credit card operations, guarantees and sureties honored, receivables on purchase of assets, and other receivables, totaled R\$ 103,0 billion, increasing by 26.9% in relation to December 2020.

d. Credit cards

Banco Sicoob, the issuer of cards for Sicoob and other credit union systems, closed the period with 8.62 million cards issued, of which 3.53 million with a built-in limit. The expansion of the card base through partner systems represented approximately 23% of total revenues.

e. Acquiring operations

In the first half of 2021, acquiring operations, which combine the Sicoob's customer base and those of partner systems, recorded an increase of 12% in the number of authorized licensees of the Sipag card machine, in comparison with the same period of 2020. Due to this increase in the customer base, year to date revenue totaled R\$ 17.3 billion, or up 25% in relation to the same period of last year.

f. Funding transactions - Deposits, LCA and LCI

Total deposits amounted to R\$ 121.4 billion in the period, increasing by 13.1% in relation to the R\$ 107.4 billion recorded at the end of last year. This growth reflects the high confidence of credit union members in the System's management, being significant in this current scenario affected by the pandemic. Time deposits (Bank Deposit Certificates (CDBs) and Credit Union Deposit Receipts (RDCs)) increased by 11.8%, from R\$ 61.0 billion in December 2020 to R\$ 68.1 billion in June 2021. The funds raised with Agribusiness Credit Notes (LCAs) and Real Estate Credit Notes (LCIs) also grew by 29.7%, from R\$ 6.5 billion in December 2020 to R\$ 8.5 billion in June 2021.

g. Equity

At the end of the first half of 2021, equity totaled R\$ 27.5 billion in the period, up 5.5% in relation to December 2020.

h. Surplus

Surpluses for the period totaled R\$ 2.3 billion, a 51.1% increase in comparison with the R\$ 1.5 billion recorded in June 2020.

Number of Sicoob members

The number of Sicoob members grew by 5.1%, from 5.1 million in December 2020 to 5.4 million in June 2021, witness to the interest in alternatives to the traditional banking system.

Also to be highlighted is the 6.8% increase in the number of members that are legal entities, which grew from 988 thousand in December 2020 to 1.1 million in June 2021, reflecting entrepreneurs' greater interest in the services provided by credit unions. Individual members totaled 4.3 million in the period, a 4.7% increase when compared to the 4.1 million registered in December 2020.

Business expansion and highlights

Technology has been one of the cornerstones of digital transformation and innovation at Sicoob, which received investments of R\$ 72 million up to June 2021. Objectives, in a stable environment, include achieving business growth, as also increasing operational efficiency, improved cybersecurity, managing risks, and adding new products and services to its portfolio, widening the number of beneficiaries enjoying the benefits and advantages that credit unions offer.

In common with the main industry trends and reflecting innovations and technological advances to deliver greater security to its members, Sicoob has obtained and renewed important certifications that ensure excellence in the use and experience of its products and services, such as:

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- PCI DSS (Payment Card Industry - Data Security Standard) Certification, which is a set of standard rules designed to improve security in the processing of payment card data. The certification protocols provide merchants and cardholders with further protection and help fraud prevention;
- ISO/IEC 27001:2013 certification for the "Backup copies of business and corporate data". This important certification ensures a high level of information security by providing clear, secure and reliable information for management and decision making;
- Brazil Open Banking Certification (Based on FAPI 1 Advanced Final) from OpenID, which is one of the requirements to engage in Open Banking services.

Digital transformation

The technological planning cycle for the 2020 to 2022 period was launched with the objective of aligning the IT actions with the digital transformation initiative and other aspects foreseen in the Sicoob's Strategic Planning (PES). Pursuant to the 2020-2022 IT Plan, Sicoob's Digital Platform for Financial Services - SISBR, underwent major transformations during the first half of 2021.

Aiming to continuously improve the experience of the credit unions' members and employees, including within the COVID-19 pandemic, deliveries related to security and system evolution were made from January to June of this year, with highlights for:

- Creation of mechanisms to provide the services offered with increased security, reliability, efficiency, and agility:
 - Inclusion of the facial recognition feature as one step in the password creation process of Sicoob Poupança (savings account) App;
 - Unlocking mobile devices by means of QRCode at ATMs;
 - Actions of Prevention and Fight Against Fraud in Service Channels - warning alert, retention and confirmation of digital transactions (PIX, TED and Payment Slips) that appear to be fraudulent.
- Systemic and structural developments to promote greater agility and efficiency in the contracting and use of services:
 - Improvements in the Digital Membership for fraud score assessment, aiming to add further security to the process. Automated selection of the nearest credit union, based on the address informed by the client in the Sicoob App;
 - Possibility of scheduling a PIX transaction in the Savings App, through the insertion of a communication channel for the user;
 - Virtual Assistant - Alice - featuring access to PIX transactions, and a customized access on Sicoobnet for questions and complaints, providing an automated and user-friendly service;
 - Improved functionality of the Sicoob App - Personal and Corporate Access - to prompt the generation of PIX Collection with due date;
 - PIX receipt solutions for members that are legal entities, seeking to offer a better experience in the use of Sicoob products and services through the management of PIX receipts, and the Application Programming Interface (API) for Receipts (Sicoob PIX API), aimed at medium- and large-sized companies;
 - Monitoring of credit proposals through Sicoob App;
 - Monitoring of Savings card application by the credit union for a better user experience;
 - Sicoob's Cognitive Journey:
 - ✓ Call handling automation: adjustments made to the SipagDirect App to enable automated handling of critical calls;
 - ✓ Automation of credit request management: adjustments made to Coopcerto's applications to enable such automation, aimed at centralizing at the Sicoob Cooperative Center (CCS) the processing of these requests for about 100 credit unions;
 - DMC Project - Debit MasterCard, which implemented in Sicoob Payments the global standard of Dual Message transactions, with capture of payment flows involving large amounts of cash, and market segmentation (Classic, Gold and Platinum), providing increased acceptance

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- worldwide, reducing operational costs for Sicoob, discouraging the use of cash, and improving the community's financial education;
- o Sicoob' app Cooperativo: card management application for the credit unions that have a partnership with Sicoob and are not linked to any cooperative system;
- o Availability of features for Individual Life, Women's Life, Simple Life, Corporate Life, and Credit Life Insurance.

Besides these mandatory and transformational business changes, Sisbr is undergoing constant architectural updates aimed at streamlining its technical evolution to foster the growth of Sicoob's business. Accordingly, the Credit solutions were moved to Sisbr's New Technological Platform, increasing resilience in the credit system's environment.

The actions follow the guidelines of Sicoob's strategic planning and are consistent with the objective of offering competitive financial solutions to the credit union's members.

Infrastructure

In line with the IT Capacity Plan, the main components of the infrastructure that processes Sisbr transactions related to service channels, backoffice solutions, and payment means were expanded for the purpose of ensuring better performance, quality and availability of operations, with emphasis on:

- Renewal of the MPLS network and new services;
- Renewal and expansion of the software-defined network (SD-WAN) (adjust);
- Renovation of the air conditioning system in the UPS room of SIG Datacenter;
- Expansion and optimization of the load balancing solution for Sisbr transactions between the two processing sites. Accordingly, the logical and physical segregation of the Service Channels allows each channel to work with individualized resources, providing greater performance and availability, and ensuring an isolation level to prevent any impact between them;
- Technological update of the Card Ecosystem environment (PCA and Exadata); and
- Installation of an Internet redundancy solution for Sicoob Payments.

The number of transactions processed increased by 95.04%, from 2.6 billion in the same period of last year to 5.08 billion in June 2021. The processing of card transaction authorizations increased by 53.38%, from 186 million to 285 million transactions.

The change in member's behavior were evident from the migration of in-person to digital transaction channels. 91.46% of all the transactions made by credit union members were carried out through digital channels, 76.93% of which, exclusively through Sicoob App. This scenario generated system efficiency gains through the reduction of expenditures on structures and administrative costs since the average unit cost of transactions on digital channels is lower than that of physical channels.

A period of innovations

To further protect Sicoob's main asset - its members' data - in an increasingly challenging scenario, new safeguards were created and processes instigated to mitigate security incidents.

Despite the challenge posed by the pandemic, which forced a radical change in the work method of CCS teams, whilst assuring the health and wellbeing of its employees, Sicoob continues improving its infrastructure and security to provide all the system users with a high-quality remote access experience, without compromising the CCS operations.

In February 2021, upon the launch of the Open Financial System (Open Banking Brazil), Sicoob signed the Contract of Adhesion, under which it accepts and adheres to the rules, procedures, and standards applicable to institutions participating in Open Banking in Brazil. The program is part of the institution's broader agenda, which aims to build the financial system of the future. As seen in its first phase, despite the still low number of institutions, the program already allows for the comparison between the prices of products and services offered. Through data sharing, it will be possible, for example, to shape customized

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business models for each member and enjoy the benefits of the cooperative environment in with a fair of judicial structure.

The PIX (instant digital payment) solution continues to be improved to maintain the engagement with the members by providing a more convenient, easy, and agile manner to carry out the transactions. The use of PIX transactions in the Savings App, a digital customer service with a human touch served by a virtual assistant *Alice* to answer PIX questions and receive complaints by means of the individualized access to Sicoobnet, the generation of the PIX Collection feature including the due date, and PIX receipt solutions for members that are legal entities are the highlights of this period.

Through a cooperation agreement with the Brazilian Federation of Banks (Febraban), Sicoob CCS entered into a partnership with the Federal Government to integrate the members' login authentication to the Gov.br platform of services. Sicoob was the first cooperative financial institution to perform this integration, which facilitates the access of individual members to the services provided by the Federal Government, as well as by the States and municipalities that are connected to the platform. This feature has enabled more than five million people to access the government's digital services with the same credentials used to log in Sicoob App.

In order to fulfill the commitment of providing Sicoob with structured products and processes integrated with Sisbr, the Partner + (*Parceiro +*) solution was launched. In addition to the systemic gain, Sicoob now features a new solution for financing of goods, products, and services, through a partnership with merchants.

Furthermore, the Governance Portal, a new module of the Sicoob's Digital Platform for Financial Services (SISBR), was made available to all Sicoob members as a tool to provide systemic controls, as well as to support the planning and organization of the issues to be discussed and decided at the Board of Directors' and Executive Board' meetings.

In line with the aim of offering competitive financial solutions to the members, the pension product Free Benefit Generating Life Plan (VGBL) was made available on Sisbr 2.0 and Sicoob App- Personal Access , and Corporate Life in Sisbr 2.0.

Finally, after 20 years since the implementation in the first credit union on September 1, 2001, SISBR continues committed to regularly updating its primary corporate tool for all its dimensions, implementing innovations and improvements in order to provide the credit unions and their members with the best technology for automation of financial services.

Service channels

Sicoob provides its members with a wide service network, featuring 3,523 branches in 1,934 Brazilian municipalities. In 304 of these municipalities, Sicoob is the only financial institution in operation. Service is also available through 6,104 Electronic Service Units (PAEs) owned by the Institution, and over 23 thousand ATMs shared with the Banco24Horas Network.

Sicoob's Digital Membership has been consolidating its position as an important channel for attracting new members. Most of the credit unions that have joined the process adopted permanent prospecting strategies through this channel, promoting a favorable result with a daily average of 903 new membership proposals in June, 2021.

The set of deliveries in the first six-month period of 2021 resulted in an increased volume of transactions carried out on Sicoob's service channels. The number of transactions performed through Sicoob's service channels grew by 95.04%, when compared to the same period of previous year. The annual growth rate in the past five years, of 32.23%, is in line with the expansion of the System's businesses. Of the 5.08 billion transactions recorded, approximately 91.46% were carried out on digital channels (Mobile and Internet banking), and 8.54% on conventional channels (Cashier, ATM, and Correspondent banks).

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In the 1Q21 consistent with the financial market trends, Sicoob's transactions on digital channels accounted for over 91.46% of its total financial and non-financial operations, an increase of 7.72 points in comparison with 1Q20, which reflects the System's technological advances in terms of usability and security attributes.

The preferred channel for the system members to access the credit union products and services continues to be the Sicoob App. The number of transactions on this channel increased by 140.67% in the period, from 1.6 billion in the first half of 2020 to 3.9 billion in the same period of 2021. In terms of channel share, Sicoob App accounted for 76.93% of the transactions, an increase of 10.9 pp over the previous year.

The growing use of PIX by the members reached about 86.7 million transactions in the first half of 2021, accounting for a financial volume of approximately R\$134 billion. These figures confirm the great success of Sicoob in granting the credit unions and their members a secure, easy, and convenient access to this solution.

The fact that digital channels continue to take space from conventional channels portrays the higher confidence placed in Sicoob and the technological solutions offered by its Digital Platform for Financial Services - Sisbr, and results from the efforts of the credit unions to guide their members towards greater convenience in accessing the products and services available.

The increasing preference for the use of Sicoob App stems from the shift in the digital behavior of users, as well as from the great acceptance of the application, which continues to be the top rated among all financial institutions in Brazil, scoring 4.8 at the Apple Store and 4.7 at the Play Store.

New agreements

In the first half of 2021, new corporate agreements for the collection of bar-coded invoices/payment slips and pre-authorized debits were added to the Bank's portfolio, totaling 28 partnership agreements signed. Among the new partnership agreements were the Municipality of Buritis MG, the Municipality of Presidente Prudente SP, the Municipality of Ibitirama ES, the Municipality of Caxias do Sul RS, the Municipal Water and Sewage Department (DMAE) of Castanheira MT, the Municipality of Davinópolis GO, the Municipal Autonomous Water and Sewage Service (SAAEC) of Colina SP, Power generation and distribution company (COPREL) of Rio Grande do Sul, the Municipality of Santo Antônio do Monte MG, the Water and Sewage Service (SAE) of Ourinhos SP, the Municipal Autonomous Water and Sewage Service (SAAE) of Atibaia SP, Adyl Net Telecom of Rio Grande do Sul, and BEK Maceió, in Alagoas.

The 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 banking institutions.

Guarantor Credit Union Fund (FGCoop)

Deposits in credit unions are protected by the Guarantor Credit Union Fund (FGCoop), which guarantees deposits and credits maintained in individual credit unions or cooperative banks in the event of intervention or out-of-court liquidation of these institutions. Currently, the ceiling value of this protection is the same in force for depositors of other financial institutions covered by the Credit Guarantee Fund (FGC).

Code of ethics

All the members of Sicoob signed up to the Code of Ethics proposed by the Confederação Nacional das Cooperativas do Sicoob Ltda. ("Sicoob Confederation"), a commitment also assumed by all new employees that join the System.

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Institutional policy for social and environmental responsibility

This policy introduces the principles and guidelines that govern Sicoob's social and environmental actions in the conduction of its business and relations with stakeholders, and aim to contribute for the effective implementation of cooperative activities supported by sustainable development.

Sicoob Institute

Sicoob Institute, which is the Sicoob's agency for strategic social investment, was created in 2004, in the city of Maringá, State of Paraná, for the purpose of developing, sharing, and disseminating social methodologies through programs and projects based on three main pillars: Cooperativism and Entrepreneurship, Financial Citizenship and Sustainable Development.

These fundamentals enable the alignment between the social actions and Sicoob's strategic objectives and guidelines, the SDGs (Sustainable Development Goals), and the Regulators' agenda, particularly that of the National Strategy for Financial Education. This alignment, in turn, keeps the organization's focus and investments directed by the social and environmental responsibility guidelines, and responds to the internal and external aspects of the business - what the organization and the society expect from each other.

Sicoob Institute combines knowledge, experience and specialized professionals to qualify, unify and streamline the management of Sicoob's strategic social investment, and strengthen its community engagement. The performance of the Institute is supported by the Strategic Social Investment Committee, which is made up of leaders from all Sicoob entities.

Working closely with all Sicoob Entities - Central and Individual credit unions, Sicoob Confederation and Banco Sicoob Group, which are its sponsoring associates, Sicoob Institute mobilizes a great workforce that involves the participation of employees and leaders as volunteers to act as agents of change in the communities, sharing the values and principles of a cooperative culture and fostering entrepreneurship, financial citizenship and local sustainable development based on Sicoob's major Purpose of connecting people to promote financial justice and wealth, and contribute to a more collaborative world.

In addition, Sicoob Institute is the internal coordinator of Sicoob's Sustainability Agenda, and the agency responsible for the ongoing dialogue with communities, schools, educators, Third Sector organizations, sectoral bodies, sponsoring associates, and other relevant players for strengthening Sicoob's Environmental Social Guidelines.

Measures adopted by Sicoob to mitigate the effects of the COVID-19 pandemic on the life of its members and the community

Through its individual credit unions and second-and third-level entities, Sicoob has actively sought to manage within its community the effects of the COVID-19 pandemic, and since the onset of the pandemic, has donated over R\$ 10.2 million in hospital supplies, such as mechanical ventilators (respirators), individual protection equipment, hygiene and cleaning products, masks, sanitizing gel, disposable diapers for children and adults, basic food baskets for various charitable institutions, in addition to ambulance equipment, among others.

In addition to actions of a social nature, Sicoob has adopted a series of measures to lessen the impacts of the pandemic on the financial lives of its members, among which:

- Extended terms of installments for loan operations
- Increased number of loans granted with own resources, at lower rates;
- Full support to the federal credit granting programs, such as the line with BNDES resources under the Emergency Employment Support Program (PESE);
- Participation in the granting of loans to micro, small and medium enterprises, under the National Program of Support to Micro and Small Companies (PRONAMPE), the Emergency Credit Access

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Program (PEAC/FGI), in addition to partnership activities developed with Sebrae and the Micro and Small Business Guarantee Fund (FAMPE);

- Creation of emergency programs with own resources for legal entities, providing payroll and working capital financing;
- Establishment of a grace period for real estate financing;
- Flexibilization of the conditions for acquisition of consortium quotas;
- Reduction of payroll credit rates, both for employees of the public and private sectors;
- Renegotiation of lending operations; and
- Reduction and/or exemption of fees and tariffs.

During the year, R\$ 2.47 billion in emergency credit facilities were offered to meet the pandemic-related financial impacts transferred through the PESE and PEAC programs.

Ombudsman

Sicoob has an Ombudsman channel for communication between the credit unions and the users of the System's services, the framework of which is centralized at Banco Sicoob, and regulated by CMN Resolution 4,433/2015 . The Ombudsman office has up to ten business days to respond to any occurrence reported, with the possibility of extending this deadline for an equal period.

Acknowledgments

We would like to thank our members, the central and individual credit unions, and Sicoob Confederation for their collaboration towards the achievement of the System's goals; our external partners for their trust in the solutions offered by Sicoob; and our employees for their dedication and commitment.

Combined balance sheet

at June 30, 2021 and December 31, 2020

All amounts in thousands of reais, unless otherwise stated

(A free translation of the original in Portuguese)

ASSETS	Note	6/30/2021	12/31/2020
AVAILABLE FUNDS	4	1,582,997	1,381,431
COMPULSORY DEPOSITS WITH THE BRAZILIAN CENTRAL BANK	5	1,704,904	1,518,597
FINANCIAL ASSETS		156,391,197	139,236,562
SECURITIES AND DERIVATIVE FINANCIAL INSTRUMENTS		36,714,984	27,096,456
OWN PORTFOLIO	6.1.1	26,139,755	14,346,139
Government securities		19,083,647	7,931,671
Private securities		6,934,581	6,222,402
Investment fund shares		121,527	192,066
SUBJECT TO REPURCHASE AGREEMENTS	6.1.1	3,640,663	6,812,656
Government securities		3,640,663	6,812,656
LINKED TO THE PROVISION OF GUARANTEES	6.1.1	6,934,550	5,937,608
Government securities		6,893,970	5,892,850
Private securities		40,580	44,758
DERIVATIVE FINANCIAL INSTRUMENTS	6.1.1	16	53
SHORT-TERM INTERBANK INVESTMENTS	4 and 6.2	23,413,088	28,148,979
LENDING OPERATIONS	6.3	96,263,125	83,991,127
Lending operations		101,050,840	88,670,221
(-) Provision for losses from credit risk	6.3.7	(4,787,715)	(4,679,094)
OTHER ASSETS		14,871,720	12,322,473
Payment transactions	7.1	10,674,106	9,476,361
(-) Provisions for losses on payment transactions		(83,333)	(71,442)
Foreign exchange portfolio		7,085	187
Income receivable		32,971	24,169
Other	7.2	4,678,714	3,264,069
(-) Provisions for losses on other receivables	7.1 and 7.2	(437,822)	(370,872)
TAX CREDITS	8	296,730	237,742
EQUITY INVESTMENTS IN ASSOCIATES, SUBSIDIARIES, AND OTHERS	9	298,328	631,409
Subsidiaries and associates		178,896	252,667
Shares and quotas		88,901	348,535
Other investments		30,531	30,207
PROPERTY AND EQUIPMENT	10	2,501,835	2,270,326
Property and equipment in use		4,010,709	3,530,924
(-) Accumulated depreciation		(1,502,755)	(1,254,496)
(-) Impairment of property and equipment		(6,119)	(6,102)
INTANGIBLE ASSETS	11	150,234	51,715
Right of use of software		216,486	205,092
Other intangible assets		513,321	29,021
(-) Accumulated amortization		(579,231)	(182,078)
(-) Impairment of intangible assets		(342)	(320)
TOTAL CURRENT AND NON-CURRENT ASSETS		177,797,945	157,650,255

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

Combined balance sheet

at June 30, 2021 and December 31, 2020

All amounts in thousands of reais, unless otherwise stated

(continued)

LIABILITIES	Note	6/30/2021	12/31/2020
FINANCIAL LIABILITIES		134,507,571	118,627,643
Deposits	12.1	121,874,385	107,577,501
Repurchase agreement obligations	12.2	122,246	184,987
Funds from acceptance of bills of exchange, real estate and mortgage notes, debentures and the like	12.3	8,455,044	6,518,227
Borrowing and onlending obligations	12.5	4,055,459	4,346,381
Other		348	549
Derivative financial instruments		89	1
PROVISIONS		629,300	602,516
Provision for contingencies	13.1.2	378,042	366,921
Provisions for guarantees provided	13.2	251,258	235,595
TAX LIABILITIES		195,873	121,211
Current taxes		195,873	121,139
Other deferred tax liabilities		-	72
OTHER LIABILITIES		15,005,972	12,271,472
Payment transactions	14.1	7,926,235	7,341,871
Social and statutory obligations	14.2	1,279,562	1,195,538
Tax and social security obligations	14.3	174,537	186,756
Foreign exchange portfolio		9,514	187
Other	14.4	5,616,124	3,547,120
TOTAL CURRENT AND NON-CURRENT LIABILITIES		150,338,716	131,622,842
EQUITY		27,459,229	26,027,413
Share capital	15.1	15,511,965	15,017,079
Capital reserves	15.2	4,439	99,796
Revenue reserve	15.3	9,874,960	9,356,524
Revaluation reserves		770	816
(-) Treasury shares		(20,386)	-
Year-to-date surplus or deficit	15.8	2,185,423	1,599,278
Other comprehensive income (loss)	15.9	(97,951)	(46,080)
Non-controlling interests		9	-
TOTAL LIABILITIES AND EQUITY		177,797,945	157,650,255

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

Combined statement of income

June 30, 2021 and 2020

All amounts in thousands of reais, unless otherwise stated

(A free translation of the original in Portuguese)

	Note	6/30/2021	6/30/2020
INCOME FROM FINANCIAL INTERMEDIATION		7,057,174	6,383,564
Gains on lending operations	6.3.8	6,274,036	5,597,674
Gains on marketable securities	6.1.3	760,343	762,255
Gains (losses) on derivative financial instruments	6.1.3	371	(6,729)
Gains on foreign exchange transactions		2,635	7,620
Gains on compulsory investments	5	19,789	22,741
Disposals or transfers of financial assets		-	3
EXPENSES FOR FINANCIAL INTERMEDIATION		(1,199,605)	(1,206,521)
Money market funding	12.4	(1,101,395)	(1,135,520)
Borrowings and onlendings	12.5.1	(98,071)	(71,000)
Disposals or transfers of financial assets		(139)	(1)
PROVISIONS FOR LOSSES FROM CREDIT RISK		(1,051,458)	(1,386,151)
Provisions for expected credit losses		(1,051,458)	(1,386,151)
GROSS PROFIT FROM FINANCIAL INTERMEDIATION		4,806,111	3,790,891
OPERATING REVENUE		2,431,869	2,108,073
Income from services rendered	16.1	1,197,952	971,170
Income from banking fees	16.1	510,235	478,989
Equity in the results of associates and subsidiaries	9	46,935	44,694
Other operating income	16.2	676,747	613,220
OPERATING EXPENSES		(4,553,260)	(4,101,223)
Personnel expenses	17.1	(2,132,285)	(1,817,367)
Administrative expenses	17.2	(1,676,093)	(1,508,697)
Tax expenses	17.3	(180,850)	(131,871)
Other operating expenses	17.4	(564,032)	(643,288)
PROVISION FOR CONTINGENCIES		(143,789)	(116,959)
Provision for contingencies		(16,362)	(8,995)
Provisions for guarantees provided	13.2	(127,428)	(107,964)
OPERATING RESULT		(2,265,180)	(2,110,109)
NON-OPERATING INCOME (EXPENSES)	17.5	(10,452)	(40,581)
PROFIT BEFORE TAXATION AND PROFIT SHARING		2,530,480	1,640,201
INCOME TAX AND SOCIAL CONTRIBUTION		(163,495)	(67,960)
Provision for income tax		(125,622)	(80,394)
Provision for social contribution		(88,838)	(56,370)
Deferred tax assets		50,965	68,804
STATUTORY PROFIT SHARING	19.6	(87,063)	(63,587)
YEAR-TO-DATE SURPLUS OR DEFICIT	SCE/SCI	2,279,922	1,508,655
INTEREST ON CAPITAL	15.5	(76,081)	(84,346)
PROFIT FOR THE SIX-MONTH PERIOD AFTER INTEREST ON CAPITAL		2,203,841	1,424,309

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

Combined statement of comprehensive income

June 30, 2021 and 2020

All amounts in thousands of reais, unless otherwise stated

(A free translation of the original in Portuguese)

	Note	6/30/2021	6/30/2020
YEAR-TO-DATE SURPLUS OR DEFICIT	SI/SCE	2,279,922	1,508,655
OTHER COMPREHENSIVE INCOME			
ITEMS THAT WILL BE RECLASSIFIED TO PROFIT OR LOSS			
Mark to market adjustments to securities		(94,393)	(10,851)
Tax effects on mark to market adjustments		42,522	4,826
OTHER COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD, NET OF TAXES	SCEL	(51,871)	(6,025)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	SCE	2,228,051	1,502,630

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

Combined statement of changes in equity

June 30, 2021 and 2020

All amounts in thousands of reais, unless otherwise stated

(A free translation of the original in Portuguese)

	Note	Share capital	Capital reserves	Revaluation reserve	Revenue reserves	Other comprehensive income (loss)	Retained earnings	Treasury shares	Non-controlling interests	Total
At December 31, 2020		15,017,079	99,796	815	9,356,523	(46,080)	1,599,278	-	-	26,027,413
Surplus or deficit at June 30, 2021	SI	-	-	-	-	-	2,279,922	-	-	2,279,922
Items that will be reclassified to profit or loss	SCI/ 15.9	-	-	-	-	(51,871)	-	-	-	(51,871)
Total comprehensive income (loss)		-	-	-	-	(51,871)	2,279,922	-	-	2,228,051
Prior year allocations:										
Appropriations to reserves										
Reserves		-	-	-	171,905	-	(171,905)	-	-	-
Reserve fund		6,000	-	-	215,794	-	(215,794)	-	-	6,000
Other reserves		-	-	-	369,282	-	(369,282)	-	-	-
Surplus/apportionment to be distributed		-	-	-	-	-	(16,586)	-	-	(16,586)
Distributions to members		-	-	-	-	-	(92,685)	-	-	(92,685)
Reversal of reserves		-	(86,803)	(32)	(339,780)	-	230,938	-	-	(195,677)
Other allocations/utilization		-	(8,554)	-	69,826	-	(61,272)	-	-	-
Capital units payable		(18,354)	-	-	-	-	-	-	-	(18,354)
Capital increase	15.1	1,531,945	-	-	-	-	(793,315)	-	-	738,630
Proposed dividends from previous years	15.4	-	-	-	(45,894)	-	-	-	-	(45,894)
Reversal/ return of capital		-	-	-	-	-	-	-	-	-
Balances of credit union merged		21,661	-	-	15,053	-	(952)	-	-	35,762
Refunds (write-offs from capital)	15.1	(767,645)	-	-	-	-	-	-	-	(767,645)
Entry of new credit unions into the System		-	-	-	-	-	-	-	-	-
Credit unions excluded from the System		(278,969)	-	-	(43,975)	-	(13,297)	-	-	(336,242)
Realization of revaluation reserve		-	-	(14)	-	-	14	-	-	-
Share buyback		-	-	-	-	-	-	(20,386)	-	(20,386)
Proposed appropriations:										
Proposed dividends	15.4	-	-	-	106,226	-	(106,226)	-	-	-
Interest on capital, net of income tax	15.5	248	-	-	-	-	(76,081)	-	-	(75,833)
FATES	15.6	-	-	-	-	-	(7,334)	-	-	(7,334)
Non-controlling interests		-	-	-	-	-	-	-	9	9
At June 30, 2021		15,511,965	4,439	770	9,874,960	(97,951)	2,185,423	(20,386)	9	27,459,229
Changes in the period		494,886	(95,357)	(46)	518,437	(51,871)	586,145	(20,386)	9	1,431,816
At December 31, 2019										
At December 31, 2019		14,282,325	88,135	844	7,605,004	681	1,182,531	-	-	23,159,521
Surplus or deficit at June 30, 2020		-	-	-	-	-	1,508,655	-	-	1,508,655
Items that will be reclassified to profit or loss	SCI/ 15.9	-	-	-	-	(6,025)	-	-	-	(6,025)
Total comprehensive income (loss)		-	-	-	-	(6,025)	1,508,655	-	-	1,502,630
Prior year allocations:										
Appropriations to reserves										
Reserves		-	-	-	3,130	-	(3,130)	-	-	-
Reserve fund		-	-	-	176,524	-	(176,524)	-	-	-
Other reserves		-	19,255	-	81,179	-	(100,434)	-	-	-
Reversal of reserves/offsetting of losses		-	(10,830)	-	(22,160)	-	32,990	-	-	-
Surplus/apportionment to be distributed		-	-	-	-	-	(11,505)	-	-	(11,505)
Distributions to members		-	-	-	-	-	(222,103)	-	-	(222,103)
Other allocations/utilization		-	(1,723)	-	-	-	240,359	-	-	154,327
Capital increase	15.1	737,600	(5,415)	-	-	-	(287,734)	-	-	444,451
Proposed dividends from previous years	15.4	-	-	-	-	-	(115,485)	-	-	(115,485)
Reversal/ return of capital		(58,066)	(7)	-	-	-	(21)	-	-	(58,094)
Balances of credit union merged		156,869	17,975	-	19,355	-	(39,758)	-	-	154,441
Refunds (write-offs) of capital	15.1	(481,075)	-	-	-	-	-	-	-	(481,075)
Entry of new credit unions into the System		4,583	-	-	-	-	94	-	-	4,677
Credit unions excluded from the System		(34,904)	-	-	(1,977)	-	(1,286)	-	-	(38,167)
Realization of revaluation reserve		-	-	(14)	-	-	14	-	-	-
Proposed appropriations:										
Proposed dividends	15.4	-	-	-	-	-	(4,340)	-	-	(4,340)
Interest on capital, net of income tax	15.5	468	-	-	-	-	(84,346)	-	-	(83,878)
FATES	15.6	-	-	-	-	-	(7,755)	-	-	(7,755)
At June 30, 2020		14,607,800	107,390	830	7,776,746	(5,344)	1,910,223	-	-	24,397,645
Changes in the period (12/31 to 6/30)		325,475	19,255	(14)	171,742	(6,025)	727,691	-	-	1,238,124

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

Combined statement of cash flows

June 30, 2021 and 2020

All amounts in thousands of reais, unless otherwise stated

(A free translation of the original in Portuguese)

Cash flows from operating activities	Note	6/30/2021	6/30/2020
Adjusted profit		3,787,228	3,209,784
Profit before taxation and profit sharing		2,530,480	1,640,201
Adjustments to profit			
Provision for loan losses	SI	1,051,458	1,386,151
Provision for impairment of other assets	17.5	19,169	17,052
Depreciation and amortization	17.2	186,304	131,513
Equity in the results of subsidiaries	9	(46,935)	(44,694)
Goodwill on equity interest in subsidiaries	17.5	25,482	1,289
Gain on sale of assets not in use		(19,789)	(10,656)
Loss on sale of assets not in use		13,079	11,315
Provision for tax, labor and civil contingencies and collateral pledged		27,980	77,611
Other adjustments		-	2
Changes in assets and liabilities			
Increase in compulsory deposits with the Brazilian Central Bank		(186,307)	(228,449)
Change in financial assets			
Decrease (increase) in federal government securities		(8,929,231)	2,571,799
Increase in private securities		(717,793)	(750,239)
Decrease in investment fund shares		70,540	39,699
Increase in derivative financial instruments		37	(413)
Decrease in short-term interbank investments		199,244	80,929
Increase in lending operations		(15,871,389)	(10,403,552)
Other receivables			
Income tax and social contribution (offset)		(107,952)	(131,205)
Decrease (increase) in other receivables		(1,110,896)	42,162
Change in financial liabilities			
Increase in deposits		14,306,739	16,097,336
(Decrease) increase in repurchase agreement obligations		(62,741)	(32,812)
Increase in funds from acceptance of bills of exchange, real estate and mortgage notes, and debentures		1,936,817	597,078
Decrease in borrowings and onlendings		(290,614)	(4,939)
Increase in derivative financial instruments		88	32
Other liabilities			
Increase in other payables		3,476,752	962,364
Net cash provided by (used in) operating activities		(3,499,478)	12,049,572
Cash flows from investing activities			
Acquisitions of equity investments		(32,020)	(233)
Purchase of property and equipment		(544,393)	(435,172)
Purchases of intangible assets		(61,975)	(41,102)
Disposal of property, plant and equipment		1,852	(62)
Disposal of intangible assets		124	283
Net cash used in investing activities		(636,411)	(476,286)
Cash flows from financing activities			
Dividends received from associates and subsidiaries		1,093	20,000
Share buyback		(20,386)	-
Increase in share capital	SCE	738,631	444,451
Write-offs of capital	SCE	(767,645)	(481,075)
Dividends paid		(45,856)	(121,225)
Distribution of surplus	SCE	(92,685)	(222,103)
Credit unions excluded from the System		(28,203)	(34,904)
Net cash used in financing activities		(215,051)	(394,856)
Net increase (decrease) in cash and cash equivalents		(4,350,941)	11,178,432
Cash and cash equivalents at the beginning of the six-month period	4	28,596,286	14,946,448
Cash and cash equivalents at the end of the six-month period	4	24,245,345	26,124,880

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

Notes to the combined financial statements

at June 30, 2021

All amounts in thousands of reais, unless otherwise stated

Note 1 - Operations

Sistema de Cooperativas de Crédito do Brasil - Sicoob ("Sicoob" or "System") comprises up to 360 first-level individual credit unions, which operate in 27 Brazilian States through 3,563 branches, and 1,070 Correspondent banks, in addition to 6,107 Electronic Service Units (PAEs) and over 23 thousand ATMs, providing services to 5.4 million members. The System also includes 16 central credit unions, Banco Cooperativo do Brasil S.A. ("Banco Sicoob" or "Bank"), Confederação Nacional das Cooperativas do Sicoob ("Sicoob Confederation"), and the subsidiaries of the Bank or of the credit unions.

As a major participant in the Brazilian financial system, Sicoob as a financial credit union plays a key social role by providing support for the growth and development of the communities in which it operates. Sicoob delivers all types of banking products and services, shares its results with its members, and invests funds raised in the communities themselves, with the aim of fostering commercial and production activities, and creating jobs and income.

Banco Sicoob is controlled by the 16 central credit unions listed below: Sicoob Central ES, Sicoob Central BA, Sicoob Central Crediminas, Sicoob Goiás Central, Sicoob Central SC/RS, Sicoob SP, Sicoob Norte, Sicoob Planalto Central, Sicoob Central Cecremge, Sicoob Central Cecresp, Sicoob Central NE, Sicoob Central Rondon, Sicoob Central Unicoob, Sicoob Unimais, Sicoob Uni, and Sicoob Central Rio.

Banco Sicoob is a multi-service bank established pursuant to Resolution 2,193 of August 31, 1995, of the National Monetary Council (CMN), and is the controlling shareholder of Sicoob Distribuidora de Títulos e Valores Mobiliários ("Sicoob DTVM"), Ponta Administradora de Consórcios ("Consórcio Ponta"), Sicoob Pagamentos Ltda, which is responsible for processing Sicoob's credit cards, and Sicoob Participações em Seguridade S.A. ("Sicoob PAR"), holder of an equity interest in Sicoob Seguradora.

The central credit unions also established the Confederação Nacional das Cooperativas do Sicoob Ltda. ("Sicoob Confederation"), a third-level entity engaged in the provision of representation and oversight services, standardization of operational procedures, implementation of the internal control system, and information technology services.

Sicoob also manages Fundação Sicoob Previ ("Sicoob Previ"), a private pension entity established in November 2006 for the purpose of offering the participants and their dependents pension benefits that supplement those provided by the government's social security system.

Note 2 - Presentation of the combined financial statements

2.1. Combined financial statements

These combined financial statements ("financial statements") are the responsibility of Sicoob's Management, and have been prepared based on the individual financial statements of the Institutions that comprise the System. The financial statements have been prepared for the purpose of presenting, in a single set of accounting statements, the consolidated position of all activities carried out by Sicoob, through the entities that comprise the System.

Although they have been prepared based on the corporate, internal control and governance structures of each member of the System, and in compliance with the requirements for financial statement presentation and disclosure pursuant to the standards issued by the CMN and the Brazilian Central Bank (BACEN), these combined financial statements are not representative of the individual financial

Notes to the combined financial statements

at June 30, 2021

All amounts in thousands of reais, unless otherwise stated

statements of Sicoob members, and, consequently, the balances presented should not be used for calculations of dividends and taxes, performance assessments, or for any other corporate or statutory purposes, which should be based on each entity's financial statements.

CMN Resolution 4,151/2012 and BACEN Circular Letter 3,669/2013 establish procedures and requirements for the preparation and disclosure of combined financial statements of financial cooperative systems in Brazil.

These combined financial statements have been prepared in accordance with the accounting practices adopted in Brazil, based on Law 6,404/1976 and amendments introduced by Laws 11,638/2007 and 11,941/2009, the standards issued by BACEN and CMN for purposes of compliance with the Accounting Chart for Institutions of the National Financial System (COSIF), as well as the Technical Pronouncements issued by the Accounting Pronouncements Committee (CPC), approved by the monetary authority, as presented in Note 3.21.

2.2. Segregation of assets and liabilities between current and non-current

Receivables and payables with terms up to 360 days are classified as current assets or liabilities, and those with longer terms are classified as non-current, according to the explanatory notes.

2.3. Approval of the combined financial statements

The Executive Board of Sicoob CCS submitted these combined financial statements to the Board of Directors, which approved them on October 14, 2021.

2.4. Criteria used in the combination of balances

The balance sheet and income statement balances of the institutions that comprise Sicoob were included in the preparation of these combined financial statements, and the balances of transactions carried out between these institutions were excluded.

2.5. Entities that comprise Sicoob included in the combined financial statements

Pursuant to Article 4 of CMN Resolution 4,151/2012, a cooperative system is comprised of individual cooperatives, central cooperatives, a credit confederation, a cooperative bank, as well as other financial institutions or entities authorized to operate by the Brazilian Central Bank, except for consortium administrators directly or indirectly linked to these institutions by means of an equity interest or actual control of operations, characterized by joint administration/management, or by operations in the market under the same trademark or trade name. Pursuant to determination of the Brazilian Central Bank, from June 30, 2021, these combined financial statements include the Confederação Nacional das Cooperativas do Sicoob Ltda. ("Sicoob Confederation"), Ponta Administradora de Consórcios ("Consórcio Ponta"), and Administradora de Consórcio Unicoob Ltda. ("Unicoob Consórcios"), subsidiary of a central credit union.

Also in compliance with the aforementioned determination, Sicoob Participações em Seguridade S/A ("Sicoob PAR") and Sicoob Pagamentos (formerly Cabal Brasil Ltda.), both subsidiaries of Banco Cooperativo Sicoob - S/A, were not included in these combined financial statements. The subsidiaries of central credit unions were also excluded from these combined financial statements (Note 9).

Sicoob Previ, although being part of the System as Sicoob's private pension entity, was not included in these combined financial statements.

In addition, Article 6 of BACEN Circular Letter 3,669/2013 establishes that all the investment funds in which the entities that comprise a cooperative system have or retain substantial risks and rewards, in any form, must be included in the combined trial balance. Therefore, these combined financial statements include the funds, whether managed by Sicoob DTVM or not, in which Banco Sicoob or the credit unions retain substantial risks and rewards.

Notes to the combined financial statements

at June 30, 2021

All amounts in thousands of reais, unless otherwise stated

The following institutions were included in the preparation of the combined financial statements, in accordance with CMN Resolution 4,151/2012:

- **Banco Cooperativo Sicoob S.A. ("Banco Sicoob" or "Bank"):** a multi-service bank established pursuant to CMN Resolution 2,193/1995, was authorized to operate by BACEN on July 21, 1997, and started activities on September 1, 1997.

Banco Sicoob was created to provide financial, technical and operational services to credit unions, pursuant to Article 88 of Law 5,764/1971.

- **Sicoob Distribuidora de Títulos e Valores Mobiliários ("Sicoob DTVM"):** a limited liability company engaged mainly in the management of investment funds by entering into contracts or charging a commission.

Sicoob DTVM is engaged in the subscription of securities for resale, either on a stand-alone basis or in a consortium with other authorized companies; intermediation of public offerings and distributions of securities in the market; and purchase and sale of securities on its own account or on behalf of third parties, in compliance with the regulations issued by CMN, BACEN, and CVM in their respective areas of competence.

Sicoob DTVM manages the funds listed in items (i) and (ii) of the "Investment funds" group.

- **Confederação Nacional das Cooperativas do Sicoob Ltda. ("Sicoob Confederation"):** a third-level entity under the control of the central credit unions, Sicoob Confederation is engaged in the provision of representation and oversight services, standardization of operational procedures, implementation of the internal control system, and information technology services for all Sicoob's entities.

- **Ponta Administradora de Consórcios Ltda. ("Consórcio Ponta"):** headquartered in Brasília, Consórcio Ponta, subsidiary of Banco Sicoob, operates as an administrator of consortium groups for the acquisition of movable and immovable goods and services, which started operations on March 3, 1972. Sicoob, through the individual credit unions, is the main partner of Consórcio Ponta in the distribution of its products to the members of the System.

- **Administradora de Consórcio Unicoob Ltda. ("Unicoob Consórcios"):** controlled by Sicoob Central Unicoob, the consortium administrator was established, pursuant to authorization of the Brazilian Central Bank issued on May 19, 2010, to meet the needs of the individual credit unions affiliated to the central. Unicoob Consórcios operates in the automobile, motorcycle, real estate, and service segments foreseen in the regulation.

- **Sicoob's central credit unions:** these are independent financial institutions authorized to operate by the Brazilian Central Bank, comprised of at least three affiliated individual credit unions, and engaged in integrating the System's credit unions at both regional and state levels.

Sicoob has 16 central credit unions (Note 1), which act proactively to prevent and correct situations of risk to the safety and soundness of the credit unions and the System. The following services are among those provided by central credit unions: centralization of the funds raised by their credit unions; standardization and oversight of operating systems and control of deposits and loans; auxiliary supervision; education and training; adoption of corrective measures; legal advice, communication advice; common procurement; exchanges for quality and professional training.

- **Sicoob's individual credit unions:** these are non-bank financial institutions authorized to operate by the Brazilian Central Bank, resulting from an association of individuals formed to meet their financial needs, both as users and owners of the credit union's products and services.

Notes to the combined financial statements

at June 30, 2021

All amounts in thousands of reais, unless otherwise stated

In accordance with CMN Resolution 4,434/2015, individual credit unions are classified based on their specific operations, as follows: Full, Classic, or Capital and Loans.

Individual credit unions classified under the Full category can carry out all the operations inherent in credit unions. Those classified as Classic credit unions, among other restrictions, are not authorized to operate with foreign currency, foreign exchange variation, or derivatives. The credit unions classified as of Capital and Loans are non-depository institutions, whose funding arises exclusively from the capital paid by its members.

Sicoob's individual credit unions, in accordance with the classification provided for in CMN Resolution, are distributed as follows:

Classification	Number
Classic	338
Capital and Loans	13
Full	9
Total	360

• **Investment funds:** the following investment funds were considered in the preparation of these combined financial statements:

(a) Funds in which the central and/or individual credit unions retain substantial risks and rewards:

- Minascoop - Fixed-income investment fund - Private Credit
- Bancoob Centralização - Fixed-income investment fund - Private Credit
- Sicoob Institucional - Fixed-income investment fund - Private Credit
- Sicoob SP - Fixed-income investment fund - Private Credit (a)
- Sicoob SP - Fixed-income investment fund - Private Credit (a)

(a) Investment fund created in 2020.

(b) Funds in which Banco Sicoob retains substantial risks and rewards:

- Sicoob Previdenciário - Fixed-income investment fund - IMA-B
- Sicoob Agências - Real estate investment fund
- Sicoob Multi-market investment fund (a)
- Sicoob Ações (shares) investment fund (a)

(a) Since June 2020, no entity of the System retains substantial risks and rewards in these funds.

2.6. Combined institutions authorized to operate by the Brazilian Central Bank and investment funds:

Institutions	State	Ownership interest	6/30/2021			12/31/2020			
			Assets	Equity	Result	Ownership interest	Assets	Equity	Result
Banco Sicoob	DF	100.00%	71,110,922	2,006,510	117,702	100.00%	76,269,420	1,967,011	91,362
Sicoob DTVM	DF	99.99%	8,962	5,155	1,283	99.99%	10,400	4,636	2,031
Sicoob Confederation	DF	100.00%	594,854	273,832	(65)	-	-	-	-
Ponta Administradora de Consórcios	DF	99.99%	130,092	84,555	5,840	-	-	-	-
Unicoob Consórcios	PR	100.00%	13,255	8,334	1,273	-	-	-	-
Regional system Espírito Santo			15,479,059	2,263,871	226,940		14,434,571	2,149,925	132,801
Sicoob Central ES	ES	100%	4,395,046	224,546	7,826	100%	4,171,715	221,271	4,512
Sicoob Sul-Litorâneo	ES	100%	605,008	114,443	12,472	100%	576,741	111,123	8,571
Sicoob Sul	ES	100%	1,846,728	379,232	30,737	100%	1,739,059	365,801	32,174
Sicoob Leste Capixaba	ES	100%	2,880,112	555,114	60,752	100%	2,640,351	532,368	40,434
Sicoob Centro-Serrano	ES	100%	1,327,172	214,812	27,509	100%	1,313,001	195,885	8,784
Sicoob Norte	ES	100%	1,164,918	213,756	28,179	100%	1,050,575	203,954	6,704
Sicoob Sul-Serrano	ES	100%	2,216,613	425,195	43,408	100%	2,000,773	394,333	20,404

Notes to the combined financial statements

at June 30, 2021

All amounts in thousands of reais, unless otherwise stated

Institutions	State	Ownership interest	6/30/2021			12/31/2020			
			Assets	Equity	Result	Ownership interest	Assets	Equity	Result
Sicoob Credirochas	ES	100%	1,043,462	136,773	16,057	100%	942,358	125,189	11,218
Regional system Bahia			2,510,977	471,321	28,238		2,529,935	476,498	14,444
Sicoob Central BA	BA	100%	668,805	73,334	1,615	100%	746,729	74,651	2,150
Sicoob Coopere	BA	100%	312,265	60,809	6,153	100%	268,515	58,408	4,775
Sicoob Cooperbom	BA	100%	40,139	18,428	(980)	100%	43,410	20,638	(607)
Sicoob Costa do Descobrimento	BA	100%	174,471	24,370	2,349	100%	150,179	24,244	2,672
Sicoob Sertão	BA	100%	241,032	48,136	6,216	100%	240,769	44,677	(134)
Sicoob Crediconquista	BA	100%	132,030	22,759	2,015	100%	130,529	21,294	1,304
Sicoob Extremo Sul	BA	100%	400,464	114,300	4,990	100%	398,769	113,544	1,135
Sicoob Credcoop	BA	100%	67,780	18,107	572	100%	58,129	17,405	192
Sicoob Norte Sul	BA	100%	125,371	15,561	1,968	100%	102,652	14,862	1,175
Sicoob Coopemar	BA	100%	108,513	13,083	1,053	100%	109,999	11,904	(107)
Sicoob Cred Executivo	BA	100%	182,377	26,701	2,157	100%	166,329	24,027	2,667
Sicoob Credmed	BA	100%	-	-	-	100%	54,629	14,127	(1,223)
Sicoob Cooppec	BA	100%	57,730	35,733	130	100%	59,296	36,718	446
Regional system Crediminas			35,658,558	4,193,375	345,829		33,085,298	3,923,714	240,996
Sicoob Central Crediminas	MG	100%	10,194,797	626,966	18,773	100%	10,161,192	599,022	14,295
Sicoob Crediriodoce	MG	100%	445,182	55,319	5,828	100%	437,204	53,829	2,647
Sicoob Carlos Chagas	MG	100%	232,924	57,188	2,492	100%	218,728	56,741	1,946
Sicoob Credijequitinhonha	MG	100%	336,295	54,686	2,327	100%	321,966	53,457	2,557
Sicoob Credicope	MG	100%	414,770	44,656	4,949	100%	356,536	42,756	2,584
Sicoob Credilivre	MG	100%	845,183	118,046	11,531	100%	830,130	111,699	8,065
Sicoob Credinorte	MG	100%	168,386	36,038	2,276	100%	160,535	34,780	1,461
Sicoob Credivale	MG	100%	335,801	51,713	3,470	100%	322,953	51,566	2,877
Sicoob Credioeste	MG	100%	251,715	31,601	3,321	100%	229,395	29,630	772
Sicoob Credialp	MG	100%	174,398	27,459	471	100%	146,520	24,758	(50)
Sicoob Aracredi	MG	100%	341,583	44,392	3,783	100%	294,828	43,317	228
Sicoob Crediará	MG	100%	400,885	52,834	4,526	100%	349,846	50,595	1,535
Sicoob União Centro-Oeste	MG	100%	211,601	36,008	2,979	100%	187,095	34,364	2,593
Sicoob Credibam	MG	100%	142,091	26,230	2,394	100%	125,389	25,949	1,838
Sicoob Belcredi	MG	100%	178,183	25,797	1,450	100%	173,442	23,770	1,506
Sicoob Credibom	MG	100%	501,901	60,175	6,398	100%	462,391	57,713	3,239
Sicoob Credicampina	MG	100%	138,301	16,685	1,901	100%	103,713	15,300	1,564
Sicoob Credibelo	MG	100%	159,585	21,121	2,507	100%	158,507	18,979	801
Sicoob Credidiago	MG	100%	150,098	36,366	384	100%	141,303	34,242	1,200
Sicoob Credcam	MG	100%	127,821	21,383	1,627	100%	125,660	18,833	1,569
Sicoob Credicapi	MG	100%	94,545	14,654	2,431	100%	90,123	15,337	1,229
Sicoob Centro União	MG	100%	203,987	32,118	2,330	100%	184,330	31,128	2,564
Sicoob Credicarpa	MG	100%	404,737	92,933	6,116	100%	348,631	87,826	2,537
Sicoob Credicarmo	MG	100%	140,124	35,907	2,826	100%	133,910	33,854	2,359
Sicoob Centro Sul Mineiro	MG	100%	255,000	27,822	3,822	100%	246,552	26,391	1,824
Sicoob Crediverde	MG	100%	264,910	36,122	4,557	100%	236,710	34,275	3,968
Sicoob Credindaiá	MG	100%	91,428	11,484	1,125	100%	75,653	10,806	1,634
Sicoob Credicampo	MG	100%	263,198	36,342	3,302	100%	238,109	33,934	2,415
Sicoob Crediesmeraldas	MG	100%	117,167	16,579	1,845	100%	108,914	15,120	103
Sicoob Credisudeste	MG	100%	649,115	60,551	4,892	100%	605,093	61,390	3,869
Sicoob Credifor	MG	100%	416,911	42,904	5,075	100%	359,990	36,231	2,115
Sicoob Frutal	MG	100%	336,836	67,189	4,506	100%	288,836	62,998	3,400
Sicoob Crediguapé	MG	100%	49,501	7,097	(87)	100%	47,746	6,871	(143)
Sicoob Credinter	MG	100%	452,004	68,110	4,586	100%	369,739	58,574	4,109
Sicoob Guaranicredi	MG	100%	249,842	19,152	2,032	100%	239,351	18,468	1,736
Sicoob Agrocredi	MG	100%	1,372,902	272,366	22,255	100%	1,314,541	256,538	18,619
Sicoobmais	MG	100%	100,769	20,749	1,931	100%	87,991	19,119	913
Sicoob Credimil	MG	100%	166,077	34,647	1,504	100%	145,747	34,017	1,092
Sicoob Itapagipe	MG	100%	115,279	28,462	816	100%	99,977	28,176	1,086
Sicoob Crediuna	MG	100%	454,027	61,932	10,838	100%	399,724	55,371	5,447
Sicoob Credivag	MG	100%	140,773	29,194	1,339	100%	144,490	28,562	1,573
Sicoob Credipinho	MG	100%	187,130	26,535	3,365	100%	158,524	22,131	2,450
Sicoob Crediprata	MG	100%	270,323	41,353	83	100%	270,582	38,131	3,567
Sicoob Credicaf	MG	100%	621,340	75,144	9,161	100%	572,444	65,949	2,477
Sicoob Crediluz	MG	100%	321,357	29,748	5,533	100%	246,856	29,819	3,518
Sicoob Credimac	MG	100%	91,651	15,035	1,325	100%	79,352	14,172	1,070
Sicoob Montecredi	MG	100%	229,341	45,943	(1,762)	100%	242,593	44,884	1,340
Sicoob Credinor	MG	100%	500,393	79,455	8,874	100%	457,798	70,408	5,728
Sicoob União Central	MG	100%	267,116	37,089	4,586	100%	249,204	33,063	2,133
Sicoob Credipatos	MG	100%	1,021,094	105,266	14,610	100%	790,820	91,066	6,924
Sicoob Coopacredi	MG	100%	621,904	94,428	8,862	100%	525,759	81,253	5,330

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Institutions	State	Ownership interest	6/30/2021			12/31/2020			
			Assets	Equity	Result	Ownership interest	Assets	Equity	Result
Sicoob Credipel	MG	100%	180,951	21,516	2,412	100%	163,590	20,025	2,075
Sicoob Credipimenta	MG	100%	39,286	6,435	209	100%	36,231	6,261	258
Sicoob Credicoop	MG	100%	268,982	34,915	2,665	100%	259,474	34,523	1,542
Sicoob Credipéu	MG	100%	328,078	45,396	5,261	100%	290,568	41,287	3,819
Sicoob União	MG	100%	611,788	72,184	7,046	100%	531,850	65,603	6,517
Sicoob Sacramento	MG	100%	175,912	23,535	3,533	100%	150,160	21,985	1,474
Sicoob Credimonte	MG	100%	391,469	39,855	(270)	100%	363,877	38,571	878
Sicoob Credisales	MG	100%	53,180	12,005	315	100%	46,746	11,859	1,417
Sicoob Credivass	MG	100%	832,968	96,011	12,482	100%	740,828	87,512	9,874
Sicoob Nossocrédito	MG	100%	625,839	80,207	5,700	100%	580,310	76,270	3,277
Sicoob Crediverentes	MG	100%	631,466	65,502	6,849	100%	559,855	58,155	6,334
Sicoob Credisete	MG	100%	436,358	51,333	7,210	100%	377,618	46,774	4,382
Sicoob Creditiros	MG	100%	161,880	23,172	2,896	100%	150,662	22,185	1,877
Sicoob Copersul	MG	100%	243,539	30,706	1,186	100%	213,489	27,347	1,453
Sicoob Uberaba	MG	100%	264,506	30,663	5,118	100%	227,773	26,569	495
Sicoob Noroeste De Minas	MG	100%	565,694	77,866	10,667	100%	464,730	73,869	9,650
Sicoob Credivar	MG	100%	1,192,868	139,068	12,220	100%	1,094,119	125,406	11,757
Sicoob Credivaz	MG	100%	187,731	36,027	2,345	100%	164,643	33,900	1,618
Sicoob Credimata	MG	100%	345,615	41,537	3,997	100%	306,667	39,679	2,529
Sicoob Credcooper	MG	100%	496,070	59,256	5,522	100%	449,349	56,038	8,019
Sicoob Credirama	MG	100%	275,559	46,881	6,057	100%	240,493	40,274	3,865
Sicoob Credisig	MG	100%	509,176	86,254	6,300	100%	455,437	82,812	3,937
Sicoob Credinosso	MG	100%	44,211	8,375	609	100%	39,248	7,804	304
Sicoob Credifiemg	MG	100%	492,357	44,053	7,573	100%	424,689	42,074	2,181
Sicoob Saúde	MG	100%	80,794	9,650	1,862	100%	85,472	9,767	1,246
Regional system Goiás			5,928,358	924,102	71,030		5,097,520	902,652	26,852
Sicoob Goiás Central	GO	100%	1,724,240	122,701	8,793	100%	1,443,419	120,407	3,923
Sicoob Agrorural	GO	100%	729,668	131,721	8,416	100%	544,164	128,142	4,897
Sicoob Centro-Sul	GO	100%	224,381	35,093	3,384	100%	187,175	32,862	1,319
Sicoob do Vale	GO	100%	257,812	38,065	5,770	100%	250,217	36,970	994
Sicoob Palmeiras	GO	100%	205,511	55,601	1,595	100%	153,394	52,698	1,630
Sicoob Credijur	GO	100%	223,313	43,532	2,974	100%	191,704	43,066	(104)
Sicoob Credicapá	GO	100%	177,409	33,460	3,211	100%	161,586	30,762	2,674
Sicoob Tocantins	TO	100%	294,619	41,705	3,246	100%	275,625	41,324	1,997
Sicoob Cerrado	GO	100%	132,055	19,721	2,436	100%	107,097	19,341	1,339
Sicoob do Vale Rio Crixás	GO	100%	52,323	12,681	729	100%	47,236	12,392	(265)
Sicoob Emprecred	GO	100%	241,435	49,021	5,000	100%	213,797	49,136	2,456
Sicoob Secovicred	GO	100%	1,034,578	171,121	15,199	100%	934,020	171,945	(918)
Sicoob Juriscredcelg	GO	100%	163,065	48,563	3,017	100%	164,481	41,471	2,833
Sicoob Credicer	GO	100%	88,817	18,373	846	100%	80,398	19,212	842
Sicoob Crediadag	GO	100%	379,132	102,744	6,414	100%	343,208	102,925	3,234
Regional system SC/RS			35,506,592	3,750,497	410,199		32,783,358	3,498,812	255,656
Sicoob Central SC/RS	SC	100%	9,198,343	544,237	25,143	100%	9,193,371	515,831	14,065
Sicoob Credicanoinhas/SC	SC	100%	1,193,466	132,194	18,307	100%	1,000,964	115,888	10,510
Sicoob Credial/SC	SC	100%	1,131,224	187,085	11,252	100%	1,068,968	175,651	8,274
Sicoob Credirio SC	SC	100%	490,332	33,301	4,030	100%	441,821	29,066	2,161
Sicoob Alto Vale	SC	100%	759,753	64,769	9,148	100%	638,019	56,504	5,655
Sicoob Credinorte	SC	100%	1,000,080	87,896	15,510	100%	812,165	82,759	11,199
Sicoob Creditaipu	SC	100%	1,137,095	186,634	13,863	100%	979,822	179,204	7,109
Sicoob Vale do Vinho	SC	100%	1,043,965	112,670	15,535	100%	873,787	104,262	12,881
Sicoob Caçador/SC	SC	100%	123,502	15,661	3,537	100%	112,768	13,253	1,880
Sicoob São Miguel SC	SC	100%	2,062,056	240,202	28,375	100%	1,895,377	220,627	15,199
Sicoob Valcredi Sul	SC	100%	472,474	60,315	7,615	100%	437,456	54,985	1,435
Sicoob - Crediauc	SC	100%	1,565,956	175,511	24,644	100%	1,358,966	157,188	14,544
Sicoob Oestecredi	SC	100%	751,871	107,368	14,709	100%	744,850	99,939	9,039
Sicoob Maxicredito	SC	100%	4,631,979	481,017	92,050	100%	4,070,907	449,909	50,837
Sicoob Credija	SC	100%	1,104,502	131,031	15,795	100%	1,015,906	127,206	12,557
Sicoob Campos Novos	SC	100%	347,688	47,180	5,046	100%	324,916	44,008	1,448
Sicoob Creditapiranga SC	SC	100%	516,011	54,879	3,615	100%	487,941	51,194	2,279
Sicoob Credisulca SC	SC	100%	1,186,051	167,929	13,829	100%	1,159,031	163,572	12,575
Sicoob Credimoc SC	SC	100%	354,583	30,669	2,530	100%	329,088	30,670	2,562
Sicoob Original	SC	100%	547,567	69,423	6,497	100%	518,224	65,190	4,918
Sicoob Credivale/SC	SC	100%	804,008	72,213	9,343	100%	702,287	62,874	3,909
Sicoob/SC Canoas	SC	100%	140,116	21,749	1,175	100%	130,910	21,952	566
Sicoob Credicarú SC/RS	SC	100%	567,130	106,863	11,774	100%	527,411	99,535	7,437
Sicoob Crediplanalto SC/RS	SC	100%	705,092	80,462	8,700	100%	601,401	74,282	10,223
Sicoob Euro Vale	SC	100%	193,259	23,898	1,998	100%	169,593	21,420	1,692

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Institutions	State	Ownership interest	6/30/2021			12/31/2020			
			Assets	Equity	Result	Ownership interest	Assets	Equity	Result
Sicoob Crediserra SC	SC	100%	144,449	23,576	1,564	100%	130,665	21,442	1,624
Sicoob Credunião	SC	100%	90,181	11,876	1,286	100%	77,265	10,368	872
Sicoob-Crediarauçária/SC	SC	100%	243,396	27,270	2,298	100%	213,239	25,894	1,300
Sicoob Trentocredi SC	SC	100%	516,954	79,363	7,799	100%	466,073	73,544	6,256
Sicoob Multicredi	SC	100%	240,943	50,472	3,717	100%	229,064	44,077	111
Sicoob/SC Credisserrana	SC	100%	178,282	16,935	1,850	100%	159,806	14,062	731
Sicoob Credisc	SC	100%	210,404	26,122	3,522	100%	184,820	24,356	3,242
Sicoob - Transcredi	SC	100%	1,006,380	131,545	17,540	100%	933,078	121,999	12,959
Sicoob Creditrans	SC	100%	60,734	12,980	127	100%	59,270	12,147	684
Credpom	SC	100%	97,249	11,831	421	100%	90,468	11,324	778
Sicoob Advocacia	SC	100%	429,435	45,076	4,502	100%	394,030	45,834	4,532
Sicoob Ecocredi	RS	100%	-	-	-	100%	-	-	(5,741)
Sicoob Cejascred	SC	100%	111,287	13,067	281	100%	104,661	12,863	1,400
Sicoob Cooperando	RS	100%	64,920	53,165	428	100%	64,810	53,085	1,423
Sicoob Cruz Alta	RS	100%	83,875	12,063	844	100%	80,163	10,848	530
Regional system São Paulo			31,330,973	4,171,802	263,987		27,345,016	4,099,055	110,049
Sicoob SP	SP	100%	8,882,377	268,243	4,049	100%	7,239,006	257,766	5,696
Sicoob Coopecredi	SP	100%	1,330,185	347,582	15,089	100%	1,178,400	339,420	15,770
Sicoob Cocrealpa	SP	100%	530,079	78,750	8,889	100%	470,119	79,954	7,329
Sicoob Credicitrus	SP	100%	8,722,540	1,732,067	136,513	100%	8,121,972	1,718,229	105,578
Sicoob Credimota	SP	100%	458,821	50,655	487	100%	365,632	45,840	4,251
Sicoob Cooplivre	SP	100%	463,395	44,924	9,369	100%	397,917	43,775	3,260
Sicoob Crediguaçu	SP	100%	777,883	118,327	8,677	100%	700,392	116,224	5,490
Sicoob Credicocapec	SP	100%	571,084	117,396	9,593	100%	558,061	109,299	8,384
Sicoob Crediceripa	SP	100%	860,538	79,138	7,927	100%	696,171	75,985	4,104
Credicana	SP	100%	-	-	-	100%	16,554	13,576	642
Sicoob Coocrelivre	SP	100%	424,367	146,070	4,825	100%	394,505	146,855	4,839
Sicoob Cocre	SP	100%	955,367	110,441	7,449	100%	899,696	116,716	5,872
Sicoob Credivale	SP	100%	501,214	78,004	5,825	100%	429,332	71,976	5,504
Credicoonai	SP	100%	-	-	-	100%	-	-	(72,490)
Sicoob Cecres	SP	100%	204,296	137,122	1,040	100%	214,265	141,349	1,086
Sicoob Cocred	SP	100%	6,384,691	814,415	41,540	100%	5,441,928	774,559	1,655
Sicoob Coopcred	SP	100%	155,917	33,061	1,342	100%	121,153	31,251	1,912
Sicoob Credlíder	SP	100%	108,219	15,607	1,373	100%	99,915	16,281	1,167
Regional system Norte			10,855,843	1,124,654	147,577		8,602,290	1,066,148	86,443
Sicoob Norte	RO	100%	2,479,533	84,888	3,703	100%	1,884,326	84,120	2,150
Sicoob Credip	RO	100%	2,330,097	283,729	42,497	100%	1,984,670	265,673	28,593
Sicoob Ourocredi	RO	100%	352,567	53,005	5,486	100%	278,250	51,678	4,131
Sicoob Acre	AC	100%	72,720	25,847	1,764	100%	65,466	23,405	2,190
Sicoob Credjurd	RO	100%	101,647	27,451	2,142	100%	100,267	28,301	2,802
Sicoob Amazonia	RO	100%	771,607	129,257	15,326	100%	644,751	124,803	6,582
Sicoob Credisul	RO	100%	3,747,538	400,507	61,134	100%	2,881,662	378,361	35,479
Sicoob Centro	RO	100%	942,183	108,758	14,623	100%	715,372	99,241	3,838
Sicoob Credempresas - AM	AM	100%	32,211	6,435	796	100%	29,707	6,032	759
Eucred	RO	100%	25,740	4,777	106	100%	17,819	4,534	(80)
Regional system Planalto Central			2,814,857	608,042	35,735		2,655,671	601,391	32,299
Sicoob Planalto Central	DF	100%	837,123	214,020	7,115	100%	813,928	205,513	7,637
Sicoob Executivo	DF	100%	127,942	30,946	1,681	100%	118,153	30,527	1,928
Sicoob Judiciário	DF	100%	199,832	28,236	2,251	100%	166,459	27,871	2,656
Sicoob Credijustra	DF	100%	329,734	51,003	4,859	100%	322,028	51,718	5,202
Sicoob Credibrasília	DF	100%	326,818	45,631	3,517	100%	290,902	43,330	547
Sicoob Crediembrapa	DF	100%	205,192	45,228	1,774	100%	200,784	44,924	559
Sicoob Cooperplan	DF	100%	34,539	8,380	354	100%	29,418	8,021	542
Sicoob Credfaz	DF	100%	230,403	84,798	4,967	100%	236,134	88,409	5,120
Sicoob Credislavio	DF	100%	65,988	17,041	408	100%	61,538	17,251	565
Sicoob Credsef	DF	100%	48,306	11,186	410	100%	47,902	11,347	491
Sicoob DFmil	DF	100%	78,275	15,469	1,025	100%	67,466	14,789	1,724
Sicoob Empresarial	DF	100%	236,056	40,444	4,055	100%	227,977	41,170	3,184
Sicoob Credichapada	MG	100%	94,649	15,660	3,319	100%	72,982	16,521	2,141
Regional system Ceregrme			28,508,831	3,223,311	253,247		26,042,509	3,061,734	211,402
Sicoob Central Ceregrme	MG	100%	8,078,264	306,714	690	100%	7,525,406	289,765	3,276
Sicoob Cooperosa	MG	100%	27,442	6,693	276	100%	23,627	6,607	192
Sicoob Credisucesso	MG	100%	105,236	10,976	468	100%	101,281	10,255	711
Sicoob Credipontal	MG	100%	936,708	95,507	10,935	100%	786,617	89,392	9,136
Sicoob Credirural	MG	100%	344,857	36,774	4,168	100%	323,840	35,554	2,304
Sicoob Saromcredi	MG	100%	481,088	56,105	5,736	100%	411,998	51,958	4,014
Sicoob Creditril	MG	100%	444,142	53,802	5,415	100%	376,109	51,770	2,696

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Institutions	State	Ownership interest	6/30/2021			12/31/2020			
			Assets	Equity	Result	Ownership interest	Assets	Equity	Result
Sicoob Credileite	MG	100%	121,781	12,053	1,665	100%	86,028	11,122	1,194
Sicoob Credicom	MG	100%	3,860,637	515,853	38,399	100%	3,693,645	486,561	38,341
Sicoob Cofal	MG	100%	224,055	45,343	1,437	100%	230,855	46,555	3,215
Sicoob Arcomcredi	MG	100%	65,640	9,950	1,875	100%	66,066	9,044	1,570
Sicoob Divicred	MG	100%	811,804	84,564	6,415	100%	747,112	74,419	4,582
Sicoob Credivale	MG	100%	19,200	5,804	334	100%	15,438	6,031	192
Sicoob Credicopa	MG	100%	715,353	123,627	4,620	100%	643,522	116,193	5,849
Sicoob Ascicred	MG	100%	361,841	39,342	4,259	100%	345,737	38,870	3,945
Sicoob Vale do Aço	MG	100%	330,772	63,236	1,928	100%	310,453	60,631	3,948
Sicoob AC Credi	MG	100%	302,612	43,179	4,355	100%	296,009	42,324	2,655
Sicoob Coocrez	MG	100%	61,137	20,907	599	100%	61,365	22,307	964
Sicoob Cecref	MG	100%	63,883	26,111	417	100%	61,108	25,847	581
Sicoob Cecremec	MG	100%	13,209	6,796	282	100%	13,553	7,051	177
Sicoob Coopsef	MG	100%	241,435	75,441	3,952	100%	233,662	78,915	5,395
Sicoob Coopjus	MG	100%	199,655	64,046	3,074	100%	192,491	63,248	2,033
Sicoob Nossacoop	MG	100%	615,930	48,674	7,240	100%	499,340	43,695	6,475
Sicoob Creditável	MG	100%	46,401	8,416	133	100%	45,318	7,844	165
Sicoob Credesp	MG	100%	263,535	25,938	5,483	100%	212,569	23,796	1,812
Sicoob Centro-Oeste	MG	100%	634,718	84,942	5,924	100%	554,509	84,777	1,979
Sicoob Credicenm	MG	100%	374,203	35,350	5,513	100%	307,123	30,779	4,094
Sicoob Acicredi	MG	100%	64,911	7,760	1,007	100%	57,076	7,458	579
Sicoob Cosmipa	MG	100%	262,792	66,145	3,365	100%	201,513	62,418	2,373
Sicoob Cosemi	MG	100%	9,454	6,862	174	100%	9,696	6,817	133
Sicoob Credimepi	MG	100%	1,055,950	117,033	15,003	100%	953,144	103,168	10,181
Sicoob Lagoacred Gerais	MG	100%	424,456	61,209	4,782	100%	382,310	55,340	5,520
Sicoob Credinova	MG	100%	362,799	52,062	(859)	100%	361,200	53,104	(1,048)
Coopaço	MG	100%	-	-	-	100%	16,539	13,842	102
Sicoob Credigerais	MG	100%	609,331	118,143	12,523	100%	494,925	107,057	7,894
Sicoob Paraisocred	MG	100%	135,040	18,647	2,283	100%	110,223	16,702	1,612
Coopertim	MG	100%	-	-	-	100%	10,528	9,390	450
Sicoob Copesita	MG	100%	61,485	20,500	655	100%	57,794	19,626	963
Sicoob Credimed	MG	100%	37,464	11,026	93	100%	37,151	10,586	265
Sicoob Triângulo	MG	100%	20,039	7,107	(192)	100%	18,990	6,974	28
Sicoob Sertão Minas	MG	100%	124,496	15,924	1,802	100%	105,224	14,458	1,294
Sicoob Credimontes	MG	100%	78,251	13,973	470	100%	75,714	13,393	807
Credfenas	MG	100%	-	-	-	100%	26,671	2,466	(310)
Sicoob Coopcredi	MG	100%	68,470	11,425	653	100%	59,260	10,341	692
Sicoob Copermec	MG	100%	806,720	95,370	12,160	100%	681,109	88,514	10,591
Sicoob Coopemata	MG	100%	1,065,814	122,074	20,838	100%	1,005,971	109,914	15,501
Credisam	MG	100%	-	-	-	100%	9,327	8,388	120
Sicoob Ufvcredi	MG	100%	80,911	26,755	2,072	100%	77,677	27,494	1,456
Coopoços	MG	100%	10,599	7,371	453	100%	9,944	7,078	347
Sicoob Crediserv	MG	100%	33,475	16,391	302	100%	32,363	15,969	606
Sicoob Coopemg	MG	100%	335,169	42,733	7,548	100%	295,300	37,206	7,260
Sicoob Aracoop	MG	100%	1,562,569	221,824	18,889	100%	1,353,222	201,675	14,169
Sicoob Jus-MP	MG	100%	340,952	57,603	5,025	100%	335,751	51,735	5,116
Sicoob Coopercorreios	MG	100%	83,547	25,805	1,437	100%	70,664	25,587	408
Sicoob Credpit	MG	100%	180,305	21,043	1,949	100%	168,347	19,179	1,893
Sicoob Sul de Minas	MG	100%	107,069	14,515	1,259	100%	107,668	13,471	1,001
Sicoob Credileste	MG	100%	315,089	48,725	6,064	100%	284,969	45,306	4,735
Sicoob Credialto	MG	100%	305,678	34,016	5,339	100%	267,196	29,091	1,362
Cecrem	MG	100%	-	-	-	100%	-	-	38
Sicoob Credjus	MG	100%	74,519	35,123	1,527	100%	71,907	33,277	1,941
Cooptek	MG	100%	-	-	-	100%	-	-	382
Coopsef	MG	100%	-	-	-	100%	-	-	(86)
Sicoob Coopcepic	MG	100%	4,681	4,046	(138)	100%	4,872	4,216	61
Sicoob Secovicred MG	MG	100%	141,258	15,958	1,172	100%	123,481	15,187	1,470
Regional system Cecresp			4,811,499	1,158,891	32,275		5,457,774	1,510,012	46,525
Sicoob Central Cecresp	SP	100%	1,410,905	120,223	3,720	100%	1,786,850	137,090	3,095
Sicoob Cred Copercana	SP	100%	62,821	22,321	476	100%	58,874	21,952	543
Sicoob Credsaúde	SP	100%	15,685	2,650	16	100%	14,894	2,653	71
Coopluiza	SP	100%	-	-	-	100%	23,635	18,789	891
Credirhodia	SP	100%	27,439	22,387	773	100%	28,588	24,394	267
Coopemesp	SP	100%	27,683	16,913	(40)	100%	27,211	17,035	236
Sicoob Coopmil	SP	100%	257,634	136,932	(604)	100%	284,809	143,544	1,667
Sicoob Credimogiana	SP	100%	331,664	44,535	1,809	100%	317,807	43,614	1,199
Sicoob Coopercredi - SP	SP	100%	96,617	60,575	547	100%	104,047	64,882	(1,014)

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Institutions	State	Ownership interest	6/30/2021			12/31/2020			
			Assets	Equity	Result	Ownership interest	Assets	Equity	Result
Copercred	SP	100%	15,608	12,445	62	100%	15,313	12,704	96
Sicoob Credmetal	SP	100%	18,082	11,942	(26)	100%	17,174	12,104	23
Sicoob Cressem	SP	100%	204,805	143,899	6,997	100%	208,577	152,531	7,818
Sicoob Cred Acif	SP	100%	317,972	31,539	(4,546)	100%	294,827	28,922	1,672
Sicoob Cooptransp	SP	100%	11,080	7,533	(142)	100%	15,067	10,580	58
Sicoob Crediçucar	SP	100%	125,975	15,488	323	100%	150,997	16,047	1,543
Magiscred	SP	100%	77,908	13,350	(416)	100%	78,227	13,572	(1,690)
Sicoob Crediconsumo	SP	100%	49,668	22,967	1,518	100%	47,555	22,857	(591)
Ouricred	SP	100%	118,780	15,446	2,002	100%	110,524	16,268	869
Sicoob Crediaticisc	SP	100%	35,326	4,036	175	100%	32,879	4,241	131
Crediprodesp	SP	100%	22,042	20,943	342	100%	21,775	21,118	385
Sicoob Credicor/SP	SP	100%	57,900	7,552	919	100%	53,711	8,268	970
Sicoob Grande ABC	SP	100%	41,466	4,856	402	100%	29,698	4,798	10
Sicoob Cooperac	SP	100%	137,822	14,605	724	100%	124,574	14,070	417
Sicoob Credceg	SP	100%	363,285	75,142	8,453	100%	368,078	74,913	8,978
Sicoob Cred-Aci	SP	100%	31,832	5,210	1	100%	29,948	5,514	230
Judcred	SP	100%	4,575	2,698	37	100%	5,348	2,757	56
Sicoob Cred-Acilpa	SP	100%	21,942	6,475	338	100%	19,315	6,079	165
Sicoob	SP	100%	115,103	14,581	211	100%	104,306	14,275	148
Sicoob Metalcred	SP	100%	55,668	40,624	617	100%	52,256	42,471	786
Sicoob Acicred	SP	100%	63,194	8,277	282	100%	52,615	8,534	482
Sicoob Cooperace	SP	100%	31,551	8,738	(369)	100%	37,164	8,130	(119)
Sicoob Cooperaso	SP	100%	51,746	14,004	4	100%	49,236	13,697	266
Sicoob Cecresa	SP	100%	10,348	7,671	(61)	100%	11,061	8,120	(559)
Cooperserv	SP	100%	46,927	15,101	1,124	100%	46,518	15,238	1,161
Barracred Cosan	SP	100%	-	-	-	100%	147,538	140,897	3,970
Crediprodam	SP	100%	6,215	6,020	18	100%	6,354	6,249	(11)
Nossa Terra	SP	100%	12,258	11,874	59	100%	13,214	12,624	333
Coopercredi Fleury	SP	100%	-	-	-	100%	-	-	218
Sicoob Coopernapi	SP	100%	10,767	1,163	(33)	100%	8,945	1,101	17
Coocresb	SP	100%	5,516	2,875	51	100%	5,308	2,861	62
Crediabc	SP	100%	-	-	-	100%	36,979	25,339	445
Cred Serv	SP	100%	16,849	14,445	629	100%	15,418	14,354	679
Sicoob Cooper 7	SP	100%	12,269	9,550	(586)	100%	11,929	10,444	1,147
Usagro	SP	100%	13,477	11,633	536	100%	13,386	11,735	371
Coopervale	SP	100%	11,238	10,057	135	100%	11,379	10,495	327
Piloncred	SP	100%	-	-	-	100%	-	-	24
Selene	SP	100%	-	-	-	100%	-	-	79
Cooperpak	SP	100%	-	-	-	100%	-	-	1,232
Credi-Camda	SP	100%	-	-	-	100%	-	-	67
Coopermsd	SP	100%	-	-	-	100%	-	-	237
Cooperijs	SP	100%	2,808	2,703	6	100%	2,592	2,503	(3)
Eaton Valinhos	SP	100%	10,032	9,315	125	100%	10,582	9,878	(28)
Credi Nestlé	SP	100%	-	-	-	100%	-	-	997
Sicoob Coopmond	SP	100%	39,208	35,881	1,005	100%	38,746	37,077	1,361
Skf	SP	100%	-	-	-	100%	12,441	12,202	324
Usicred	SP	100%	-	-	-	100%	102,263	97,002	2,476
Mortan	SP	100%	-	-	-	100%	7,973	7,496	419
Confab	SP	100%	-	-	-	100%	-	-	258
Elgin	SP	100%	6,805	5,491	(60)	100%	6,487	5,752	192
Metalcoopercred	SP	100%	15,070	12,939	1,171	100%	13,649	12,606	699
Credirhodia Paulinea	SP	100%	-	-	-	100%	-	-	527
Colorado	SP	100%	-	-	-	100%	-	-	1,217
Novelis	SP	100%	12,920	11,378	395	100%	12,418	11,656	401
Credmil	SP	100%	2,210	1,480	(128)	100%	2,388	1,660	3
Coopertrem	SP	100%	7,548	7,361	(20)	100%	8,558	8,406	45
Villares Metals	SP	100%	19,678	18,504	621	100%	19,009	18,544	796
Sicoob Credsaopaulo	SP	100%	345,578	34,564	2,683	100%	326,760	37,371	(2,618)
Regional system Nordeste			2,496,742	383,977	32,153		2,303,238	366,606	20,936
Sicoob Central NE	PB	100%	534,323	36,848	-	100%	560,687	34,871	18
Sicoob Ceará	CE	100%	78,555	12,895	1,217	100%	72,235	14,493	1,434
Sicoob Centro Nordeste	PB	100%	46,669	15,745	141	100%	41,053	16,201	500
Sicoob Leste	AL	100%	149,391	37,306	1,896	100%	142,724	37,586	2,841
Sicoob Coopercret	PB	100%	30,533	9,136	280	100%	29,677	8,834	29
Sicoob Potiguar	RN	100%	81,127	13,721	2,260	100%	59,077	12,139	436
Sicoob Pernambuco	PE	100%	332,924	42,576	5,520	100%	263,774	38,112	3,271
Sicoob Piauí	PI	100%	61,000	9,282	681	100%	60,421	8,134	216

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Institutions	State	Ownership interest	6/30/2021			12/31/2020			
			Assets	Equity	Result	Ownership interest	Assets	Equity	Result
Sicoob Centro Leste Maranhense	MA	100%	212,505	41,537	4,941	100%	192,104	40,279	2,998
Sicoob Oeste Maranhense	MA	100%	92,765	16,196	1,934	100%	83,248	14,724	300
Sicoob Paraíba	PB	100%	562,051	98,952	11,837	100%	527,601	93,119	7,122
Sicoob Sul Maranhense	MA	100%	52,688	4,918	613	100%	40,294	4,436	187
Sicoob Rio Grande Do Norte	RN	100%	262,211	44,865	833	100%	230,344	43,678	1,583
Regional system Rondon			3,777,756	402,504	24,622		2,955,296	353,992	6,550
Sicoob Central Rondon	MT	100%	790,939	52,650	196	100%	636,548	43,696	573
Sicoob Uniao MT/MS	MT	100%	644,072	62,271	3,204	100%	527,977	53,464	(1,680)
Sicoob Primavera MT	MT	100%	706,787	75,077	10,320	100%	479,709	60,534	2,173
Sicoob Cerrado MT	MT	100%	216,796	28,865	1,340	100%	178,901	27,117	157
Sicoob Ipê	MS	100%	83,327	10,100	139	100%	86,487	7,384	990
Sicoob Integração	MT	100%	491,441	60,373	(59)	100%	390,162	62,249	(454)
Sicoob Centro Sul MS	MS	100%	127,769	18,849	610	100%	99,652	17,575	1,405
Sicoob Norte MT	MT	100%	430,484	47,067	4,776	100%	321,882	39,265	1,301
Sicoob Fronteiras	RO	100%	286,141	47,252	4,096	100%	233,980	42,709	2,085
Regional system Unicoob			14,215,535	1,339,262	78,639		13,605,071	1,288,073	71,264
Sicoob Central Unicoob	PR	100%	2,660,244	145,330	(311)	100%	3,073,587	140,234	(631)
Sicoob Cooesa	PA	100%	72,189	14,504	1,321	100%	99,836	14,709	1,495
Sicoob Coimppa	PA	100%	105,519	57,136	2,371	100%	104,963	59,779	3,268
Sicoob Unidas	PA	100%	83,481	20,900	324	100%	78,939	21,344	303
Sicoob Metropolitanano	PR	100%	2,777,613	260,033	16,998	100%	2,631,033	252,547	14,178
Sicoob Vale Sul	PR	100%	1,012,945	90,117	14,590	100%	897,025	86,066	9,511
Sicoob Três Fronteiras	PR	100%	527,418	42,784	3,189	100%	426,947	40,435	4,763
Sicoob Unicoob Meridional	PR	100%	1,041,605	96,162	10,174	100%	920,230	88,347	6,594
Sicoob Ouro Verde	PR	100%	1,574,044	149,935	(1,418)	100%	1,394,293	162,041	10,785
Sicoob Unicoob Ouro Branco	PR	100%	-	-	-	100%	-	-	(4,525)
Sicoob Sul	PR	100%	1,022,400	107,305	10,198	100%	979,330	101,612	15,071
Sicoob Credicapital	PR	100%	1,060,814	99,110	11,426	100%	894,049	88,075	3,284
Sicoob Aliança	PR	100%	435,068	63,678	3,690	100%	403,670	61,167	2,048
Sicoob Arenito	PR	100%	544,233	53,323	3,273	100%	506,817	48,893	2,550
Sicoob Confiança	PR	100%	159,582	18,915	789	100%	133,250	16,479	1,236
Sicoob Integrado	PR	100%	583,527	55,026	(1,117)	100%	540,476	45,268	(793)
Sicoob Horizonte	PR	100%	155,151	16,740	549	100%	148,091	16,303	(454)
Sicoob Médio Oeste	PR	100%	274,689	33,913	3,477	100%	270,878	32,779	2,339
Sicoob Transamazônica	PA	100%	125,013	14,351	(884)	100%	101,658	11,995	244
Regional system Unimais			3,766,256	624,907	37,358		3,116,078	630,245	29,581
Sicoob Unimais	SP	100%	978,654	51,226	1,181	100%	581,772	40,136	581
Sicoob Circuito das Águas	SP	100%	84,645	9,067	188	100%	63,209	8,172	412
Sicoob Crediacil	SP	100%	168,030	15,639	2,226	100%	142,855	15,969	1,861
Sicoob Paulista	SP	100%	502,592	55,554	4,902	100%	420,044	54,406	4,691
Cooperemb	SP	100%	384,489	289,621	11,062	100%	397,283	309,471	13,913
Sicoob Santa	SP	100%	34,495	23,608	(1,555)	100%	34,150	26,738	648
Sicoob Unimais Mantiqueira	SP	100%	674,301	67,818	8,119	100%	545,270	61,659	1,801
Sicoob Unimais Centro Leste Paulista	SP	100%	361,392	37,545	5,241	100%	345,443	36,659	809
Unimais Metropolitana	SP	100%	577,658	74,829	5,994	100%	586,050	77,036	4,864
Regional system Uni			20,187,192	2,723,487	245,793		16,946,599	2,618,097	169,554
Sicoob Uni	GO	100%	5,765,865	170,524	5,833	100%	4,841,559	168,069	6,761
Sicoob Credi-Rural	GO	100%	3,332,441	622,366	66,779	100%	2,362,377	577,123	44,215
Sicoob Coopercred	GO	100%	412,077	101,143	2,343	100%	350,056	110,716	386
Sicoob Mineiros	GO	100%	594,091	196,737	10,062	100%	477,826	198,011	11,001
Sicoob Credigoias	GO	100%	274,807	82,725	5,330	100%	184,467	83,150	6,431
Sicoob Goiânia	GO	100%	287,172	54,557	2,709	100%	242,664	48,439	907
Sicoob Credseguro	GO	100%	444,295	132,471	5,547	100%	417,868	129,308	5,053
Sicoob Engecred	GO	100%	1,432,526	250,360	19,184	100%	1,399,106	252,533	17,256
Sicoob Lojicred	GO	100%	170,090	34,007	769	100%	185,963	32,908	(444)
Sicoob Credi Comigo	GO	100%	23,386	14,382	405	100%	22,835	14,022	571
Sicoob Empresarial	GO	100%	230,661	34,935	3,710	100%	167,878	31,031	3,703
Sicoob Cooprem	GO	100%	87,256	14,371	989	100%	68,497	13,588	1,025
Sicoob Unisp	SP	100%	89,156	8,924	(152)	100%	-	-	-
Sicoob Unicentro Brasileira	GO	100%	4,118,547	586,987	71,855	100%	3,665,512	571,043	47,684
Sicoob Uniam	AM	100%	204,756	51,010	9,665	100%	204,651	51,490	2,337
Sicoob Unicidade	GO	100%	348,986	55,812	5,737	100%	294,121	49,069	4,455
Sicoob Unirondônia	RO	100%	334,848	41,447	5,169	100%	316,018	40,615	2,416
Sicoob Unicentro Norte Goiano	GO	100%	1,294,350	170,739	17,493	100%	1,051,223	153,083	12,659
Sicoob Roraima	RR	100%	65,882	11,430	1,563	100%	52,957	10,426	1,200
Sicoob Unirbo	AC	100%	191,223	33,101	2,929	100%	178,610	32,044	2,411

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6/30/2021						12/31/2020			
Institutions	State	Ownership interest	Assets	Equity	Result	Ownership interest	Assets	Equity	Result
Sicoob Medcred	SP	100%	39,776	2,252	136	100%	36,833	2,272	(1,812)
Sicoob Uni Sudeste	MG	100%	445,001	53,207	7,738	100%	425,577	49,158	1,340
Regional system Rio			2,181,163	328,152	15,950		2,244,744	327,086	12,619
Sicoob Central Rio	RJ	100%	660,666	42,319	1,918	100%	730,286	43,741	1,151
Sicoob Servidores	ES	100%	80,203	32,010	43	100%	81,771	32,154	1,705
Sicoob Cecremef	RJ	100%	432,935	53,922	1,895	100%	449,185	53,922	(994)
Sicoob Coopjustiça	RJ	100%	198,760	72,531	4,769	100%	181,440	72,445	5,694
Sicoob Fluminense	RJ	100%	261,028	46,196	1,392	100%	262,255	42,966	295
Sicoob Coopvale	RJ	100%	59,827	14,868	456	100%	27,338	10,086	1,317
Sicoob Credicor RJ	RJ	100%	-	-	-	100%	33,771	6,421	(405)
Sicoob Empresas Rj	RJ	100%	164,013	19,185	2,887	100%	155,558	16,634	1,999
Sicoob Coomperj	RJ	100%	323,731	47,121	2,590	100%	323,140	48,718	1,857
Investment Funds			4,685,786	4,626,836	58,417		4,174,494	4,133,544	49,949
Minascoop FI - RF - CP	DF	100%	210,383	205,631	4,718	100%	244,868	241,825	1,136
Bancoob Centralização FI - RF - CP	DF	100%	2,374,002	2,351,006	22,776	100%	2,366,533	2,349,964	24,906
Sicoob Institucional FI - RF - CP	DF	100%	1,928,706	1,899,911	28,657	100%	1,408,454	1,392,284	23,188
Sicoob Previdenciário FI - RF - IMA-B	DF	100%	26,683	26,903	(228)	100%	27,198	25,248	(466)
Sicoob Agências FI - Imobiliário	DF	100%	32,661	32,006	543	100%	32,661	32,411	1,165
Sicoob SP FI - Renda Fixa	DF	100%	1,136	1,128	5	100%	136	(2,031)	12
Sicoob Cecresp FI - Renda Fixa	DF	100%	112,215	110,251	1,946	100%	94,646	93,842	-
Sicoob Multimercado FI	DF	100%	-	-	-	100%	-	-	9
Total			296,574,062	34,697,377	2,434,022		279,659,282	32,979,233	1,611,313

2.7. Changes in the system

The following inclusions, mergers and exclusions of credit unions took place in the first six-month period of 2021:

2.7.1 Inclusions

System	Credit union
Sicoob Uni	Sicoob Unisp

2.7.2 Mergers

System	Merged credit union	System	Merging credit union
Sicoob BA	Sicoob Credmed	Sicoob Cecremge	Sicoob Credicom
Sicoob SP	Credicana	Sicoob SP	Sicoob Coopecredi
Sicoob Cecremge	Sicoob Credfenas	Sicoob Cecremge	Sicoob Saromcredi
Sicoob Rio	Sicoob Credicor/RJ	Sicoob Rio	Sicoob Coopvale

2.7.3 Exclusions

System	Credit union
Sicoob Cecremge	Coopaço
Sicoob Cecremge	Coopertim
Sicoob Cecremge	Credisam
Sicoob Cecresp	Morlan
Sicoob Cecresp	Coopluzia
Sicoob Cecresp	Crediabc
Sicoob Cecresp	SKF
Sicoob Cecresp	Usicred
Sicoob Cecresp	Barracred Cosan

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2.8. Eliminations among Sicoob's entities

Combined balance sheets	6/30/2021			12/31/2020		
	Aggregate	Eliminations	Combined	Aggregate	Eliminations	Combined
Current and non-current assets						
Available funds	1,641,494	(58,497)	1,582,997	1,381,828	(397)	1,381,431
Compulsory deposits with the Brazilian Central Bank	1,704,904	-	1,704,904	1,518,597	-	1,518,597
Financial assets	269,690,148	(113,298,951)	156,391,197	256,506,306	(117,269,744)	139,236,562
Other receivables	15,127,486	(255,766)	14,871,720	12,460,350	(137,877)	12,322,473
Tax credits	296,730	-	296,730	237,742	-	237,742
Equity in the results of associates and subsidiaries	5,461,231	(5,162,903)	298,328	5,232,418	(4,601,009)	631,409
Property and equipment	2,501,835	-	2,501,835	2,270,326	-	2,270,326
Intangible assets	150,234	-	150,234	51,715	-	51,715
Total assets	296,574,062	(118,776,117)	177,797,945	279,659,282	(122,009,027)	157,650,255
Current and non-current liabilities						
Financial liabilities	243,638,116	(109,130,545)	134,507,571	232,145,246	(113,517,603)	118,627,643
Provisions	629,300	0	629,300	602,516	-	602,516
Tax liabilities	195,873	0	195,873	121,211	-	121,211
Other liabilities	14,979,375	26,597	15,005,972	12,137,383	134,089	12,271,472
Total liabilities	259,442,664	(109,103,948)	150,338,716	245,006,356	(113,383,514)	131,622,842
Equity	37,131,398	(9,672,169)	27,459,229	34,652,926	(8,625,513)	26,027,413
Total liabilities and equity	296,574,062	(118,776,117)	177,797,945	279,659,282	(122,009,027)	157,650,255
6/30/2021						
6/30/2020						
Combined statements of income						
Income from financial intermediation	8,140,744	(1,083,570)	7,057,174	7,475,940	(1,092,376)	6,383,564
Expenses for financial intermediation	(2,208,799)	1,009,195	(1,199,605)	(2,256,639)	1,050,118	(1,206,522)
Provision for loan losses	(1,058,881)	7,422	(1,051,458)	(1,393,274)	7,123	(1,386,151)
Operating income	4,221,018	(1,789,149)	2,431,869	3,292,177	(1,184,104)	2,108,073
Operating expenses	(6,179,180)	1,625,921	(4,553,260)	(5,133,459)	1,032,236	(4,101,223)
Provision for contingencies	(143,789)	-	(143,789)	(116,959)	-	(116,959)
Non-operating income (expenses)	(10,452)	-	(10,452)	(40,581)	-	(40,581)
Income tax and social contribution	(163,495)	-	(163,495)	(67,960)	-	(67,960)
Profit sharing	(87,063)	-	(87,063)	(63,587)	-	(63,587)
Profit (loss) for the six-month period	2,510,103	(230,181)	2,279,922	1,695,659	(187,004)	1,508,655
Interest on capital	(76,081)	-	(76,081)	(84,346)	-	(84,346)
Profit (loss) after interest on capital	2,434,022	(230,181)	2,203,841	1,611,313	(187,004)	1,424,309

2.9. Events after the reporting period

Events that took place between the latest balance sheet date and the date of authorization for their issuance, as classified follows:

- **Adjusting events:** are those that provide further evidence of conditions existing at the end of the reporting period, and result in adjustments to the financial statements; and
- **Non-adjusting events:** are indicative of a condition that arose after the end of the reporting period and do not result in adjustments to the financial statements.

Note 3 - Summary of significant accounting policies

3.1. Accounting estimates and judgments

The preparation of combined financial statements in accordance with the Brazilian accounting practices described in Note 3 requires Management to exercise 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 amounts of property and equipment and intangible assets, the provision for loan losses, the estimated realization of tax assets, 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 combined financial statements due to inaccuracies inherent in their determination process. The estimates and assumptions are reviewed on a half-yearly basis to reflect the best available information.

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3.2. Determination of results of operations

The results of operations are determined on the accrual basis of accounting. Service revenue, typical to the financial system, is recognized as the service is rendered to the member or third party.

3.3. 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.

3.4. Cash and cash equivalents

Cash and cash equivalents comprise cash in local and foreign currency, and short-term interbank investments maturing in up to 90 days from the investment date, and subject to immaterial risk of change in fair value. Cash and cash equivalents are used by Sicoob to manage its short-term obligations (Note 4).

3.5. Short-term interbank investments

Short-term interbank investments are stated at the amount of the investment or acquisition, plus income earned up to the balance sheet date, and consist of transactions backed by federal government securities, as disclosed in Note 6.2.

3.6. Marketable securities

Where applicable, securities are classified into the following categories, based on a set of criteria for registration and valuation of security portfolios, defined by BACEN Circular Letter 3,068/2001, and in accordance with management's intention regarding their use:

- (a) **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.
- (b) **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.
- (c) **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.

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 as the result of the transaction, and recognized on the transaction date within "Gains (losses) on securities".

3.7. Derivative financial instruments

In compliance with BACEN Circular Letter 3,082/02, derivative financial instruments are measured at market value at least at the time of preparation of the monthly trial balances and balance sheets. Any appreciation or depreciation is recognized directly in income or expense accounts for the respective derivative financial instrument (Note 6.1.1).

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3.8. Provisions 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 the transaction, in compliance with the parameters established in CMN Resolution 2,682/99. This Resolution requires a periodic analysis of the loan portfolio, as well as the classification of the operations into nine levels, of which "AA" corresponds to the lowest risk level and "H" the highest risk level. These rules also apply to the provisions for guarantees provided, recorded within liabilities.

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, 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 effectively received. The provisions for expected credit losses, which are considered sufficient by Management, complies with the minimum requirement established in the aforementioned Resolution.

3.9. Investments

Investments are recorded at acquisition cost, and equity interests in subsidiaries and associates are accounted for under the equity method (Note 9).

3.10. Property and equipment

Property and equipment are recorded at acquisition, formation or construction cost, including interest and other capitalized financial charges (Note 10). Depreciation is calculated on a straight-line basis, in accordance with the following annual rates, based on the useful lives of the assets: properties in use - 5%; equipment in use - 10%; vehicles and data processing equipment - 20%.

Other expenditures are capitalized only when they can be 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.

3.11. Intangible assets

These correspond to rights acquired in intangible assets that are intended for the maintenance of the entities that comprise Sicoob or used for this purpose, as disclosed in Note 11. Intangible assets with a defined useful life are usually amortized on a straight-line basis during an estimated period of economic benefit. Intangible assets, which comprise software acquired from third parties, are amortized at an annual rate of 20%.

3.12. Impairment test

Items of property and equipment as well as intangible assets are subject to the annual impairment test in accordance with CPC 01 (R1). If there is clear evidence that the assets are not stated at their recoverable amount, the impairment loss is recognized in profit or loss for the period reducing, consequently, the balances of the items in which such losses were identified (Notes 10 and 11).

3.13. Other current and non-current assets

These are stated at net realizable value.

3.14. Deposits

These comprise demand deposits, savings account deposits, time deposits, which include credit union deposit receipts (RDCs) and bank deposit certificates (CDBs), interbank deposits, and notice deposits (Note 12.1).

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Savings accounts earn interest at rates established by the regulation in force and are recorded at the amount of the deposit plus any income earned in the period.

The funds from time deposits (RDC and CDB) are stated at the amount raised, plus any accrued income, on a *pro-rata* daily basis, at floating or fixed rates, and are redeemable at a pre-established date.

3.15. Repurchase agreement obligations

These obligations are stated at known or determinable amounts, which include accrued charges and monetary variations, net of the corresponding unrecognized expenses, where applicable (Note 12.2).

3.16. Borrowing and onlending obligations

Borrowings and onlendings are stated at known or determinable amounts, including accrued charges and monetary variations, net of the corresponding unrecognized expenses, where applicable, and comprise mainly funding obtained from government agencies such as the National Bank for Economic and Social Development (BNDES)/Government Agency for Machinery and Equipment Financing (FINAME), Ministry of Agriculture, Livestock and Food Supply (MAPA)/Funcafé, and Constitutional Funds (Note 12.5).

3.17. Employee benefits - Supplementary pension plan

Banco Sicoob provides a defined contribution pension plan to the entire Sicoob network. The sponsor's monthly contributions to the plan are recognized as an expense in the statement of income for the period.

3.18. Income tax and social contribution

The provision for income tax was calculated at the rate of 15%, plus a 10% surtax. The social contribution for Banco Sicoob was set up at the rate of 20% for the months from January to June, and 25% as from July, computed on taxable income calculated as per the prevailing tax laws. For credit unions, the social contribution was determined at the rate of 15% for the months from January to June, and 20% as from July.

Income tax credits were calculated in accordance with the aforementioned tax rates. Upon the increase in the social contribution rate, from July to December 2021, under the provisions of Law 14,183/21, the relating credits were recognized at the rates corresponding to the expected use.

Tax credits are recognized considering the expected generation of future taxable income, over a maximum period of ten years, pursuant to CMN Resolution 4,842/2020. The expected generation of future taxable income is supported by a technical study prepared by Management and updated on a half-yearly basis.

3.19. Contingent assets and liabilities and legal obligations

Provisions are recognized in the balance sheet when Sicoob 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. Provisions are recorded based on the best estimates of the risk involved (Note 13.1.2).

The recognition, measurement, and disclosure of provisions and contingent assets and liabilities are carried out in accordance with CMN Resolution 3823/2009, 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:

- (a) **Contingent assets** - Contingent assets are not recorded, except when backed by real guarantees or final court decisions, for which a favorable outcome is virtually certain. Contingent assets for which a favorable outcome is classified as probable are only disclosed in the notes to the financial statements.

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- (b) Contingent liabilities** - Contingent liabilities are recognized by Management under the advice 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.
- (c) Legal obligations** - These are obligations that derive from a contract, through implicit or explicit terms, a law or other legal instrument, which should be recognized by the member entities of Sicoob.

3.20. Other current and non-current liabilities

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

3.21. Technical Pronouncements - CPCs

The National Monetary Council (CMN) has approved the adoption of the following Technical Pronouncements issued by the CPC. The pronouncements applicable to institutions authorized to operate by the Brazilian Central Bank were adopted in the preparation of these combined 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.

The 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 - CMN Resolution 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

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

Cash and cash equivalents	Note	6/30/2021	12/31/2020
Available funds		1,582,997	1,381,431
Local currency		1,535,613	1,349,977
Foreign currency		47,384	31,454
Cash equivalents		22,662,348	27,214,855
Short-term interbank investments	(a)	22,661,407	27,213,874
Investments in savings account deposits		941	981
Total		24,245,345	28,596,286

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(a) Investments classified as cash equivalents are those maturing in less than 90 days from the date of issue, and which are not subject to significant changes in value and interest rates. They are comprised of repurchase agreements entered into by Banco Sicoob with other institutions of the Brazilian National Financial System.

Note 5 - Compulsory deposits with the Brazilian Central Bank

Balances	6/30/2021	12/31/2020
BACEN - Instantaneous payments	51,721	91,729
BACEN - Compulsory reserves in cash	4,812	6,661
BACEN - Mandatory payments	1,646,593	1,418,962
Other deposits with the Brazilian Central Bank	1,778	1,245
Total	1,704,904	1,518,597
Current	1,704,904	1,518,597
Non-current	-	-

The result from compulsory investments in the first six-month period of 2021 amounted to R\$ 19,789 (R\$ 22,741 at December 31, 2020).

Note 6 - Financial assets

6.1. Marketable securities and derivative financial instruments

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

- (a) **Federal government securities (LTNs, LFTs, NTNs)** - the index disclosed by the Brazilian Association of Capital and Financial Markets Institutions (ANBIMA) is used.
- (b) **National Treasury Certificates (ECTNs)** - securities relating to renegotiations of rural credit transactions assumed from credit unions, whose face value is equivalent to the amount of debt, restated at the rate of 12% p.a. plus the General Market Price Index (IGPM) variation.
- (c) **Investment funds (FIs)** - the value of the fund shares on the last working day, disclosed by the fund's administrators, is used.
- (d) **Investment funds (FIDC)** - subordinated shares - 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.
- (e) **Private securities** - are marked to market periodically, using an in-house methodology that considers primarily 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 Sicoob's own portfolio, in accordance with the size of the issuer.
- (f) **Derivative financial instruments** - 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 in accordance with the characteristics of the derivative.

Marketable securities, including derivative financial instruments and short-term interbank investments, are held under the custody of [B]³ or SELIC, except for investment fund shares for which records are kept by the respective administrators.

Securities classified as "held to maturity" are supported by a study that proves the financial capacity and Management's intention to hold them to maturity.

The credit unions are released from the obligation to classify the securities held in their portfolios into the three categories foreseen in Circular Letter 3,068/2001. Accordingly, for purposes of presentation of the combined financial statements, the securities held by these credit unions were classified as "Available for sale", since they do not fit into the other categories.

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6.1.1 Breakdown of securities and derivative financial instruments

Classification/Securities	Maturity			6/30/2021	12/31/2020
	With no maturity date and up to 3 months	From 3 months to 1 year	Over 1 year	Closing balance	Closing balance
I - Available-for-sale securities	1,288,634	3,086,020	23,494,133	27,868,787	22,807,826
Own portfolio	1,030,728	2,925,321	17,736,495	21,692,544	12,114,088
Financial Treasury Bills	661,043	854,364	15,706,339	17,221,746	7,456,424
National Treasury Bills	-	-	39,682	39,682	11,207
Bank Deposit Certificates	-	5,670	-	5,670	-
Investment fund shares	121,527	-	-	121,527	192,066
Financial Bills (LFs)	240,817	2,030,721	1,839,953	4,111,491	4,269,672
Agribusiness Receivables Certificates (CRAs)	-	-	68,433	68,433	75,881
National Treasury Certificates	7,341	15,584	14,501	37,426	31,290
Rural Producer Note	-	-	37,012	37,012	39,022
Debentures	-	1,038	30,575	31,613	20,125
Other	-	17,944	-	17,944	18,401
Subject to Repurchase Agreements	37,378	80,734	1,306,828	1,424,940	4,756,130
Financial Treasury Bills	37,378	80,734	1,306,828	1,424,940	4,756,130
Linked to the provision of guarantees	220,528	79,965	4,450,810	4,751,303	5,937,608
Financial Treasury Bills	185,156	79,965	4,445,756	4,710,877	5,892,993
Financial Bills (LFs)	35,372	-	5,054	40,426	44,615
II - Trading securities	856,625	635,665	1,256,026	2,748,316	1,819,735
Own portfolio	856,625	635,665	1,256,026	2,748,316	1,819,735
Financial Treasury Bills	-	-	65,287	65,287	-
National Treasury Notes	-	-	25,569	25,569	25,469
Bank Deposit Certificates	770,848	197,249	-	968,097	5,029
Debentures	-	-	22,406	22,406	-
Rural Producer Note	-	38,237	8,092	46,329	48,180
Rural Product Note	-	21,855	94,197	116,052	138,501
Financial Bills (LFs)	85,777	186,162	778,299	1,050,238	1,089,606
Time deposits with special guarantee	-	192,162	262,176	454,338	512,950
III - Held-to-maturity securities	5,111	-	6,092,754	6,097,865	2,468,842
Own portfolio	5,111	-	1,693,938	1,699,049	412,316
Financial Treasury Bills	-	-	1,693,938	1,693,938	407,281
Bank Credit Notes	5,111	-	-	5,111	5,035
Subject to Repurchase Agreements	-	-	2,215,724	2,215,724	2,056,526
Financial Treasury Bills	-	-	2,215,724	2,215,724	2,056,526
Linked to the provision of guarantees	-	-	2,183,092	2,183,092	-
Financial Treasury Bills	-	-	2,183,092	2,183,092	-
IV - Derivative financial instruments	16	-	-	16	53
Futures	16	-	-	16	53
Total	2,150,386	3,721,685	30,842,913	36,714,984	27,096,456
Current	-	-	-	7,128,097	6,313,102
Non-current	-	-	-	29,586,887	20,783,354

In accordance with the regulations, the securities classified as "held for trading" are presented in the current assets, regardless of their maturity.

During the reporting period, there were no reclassifications of securities between the categories.

6.1.2 Cost and market value of securities

Categories	6/30/2021		12/31/2020	
	Cost	Market	Cost	Market
Available-for-sale	27,252,046	27,318,172	23,106,122	22,881,222
Government securities	22,748,325	22,651,552	18,229,602	18,076,722
Private securities	4,382,195	4,545,093	4,684,454	4,612,434
Investment fund shares	121,526	121,527	192,066	192,066
Held for trading	2,997,730	2,748,315	1,849,044	1,814,708
Government securities	88,807	90,856	20,872	25,469
Private securities	2,908,923	2,657,459	1,828,172	1,789,239
Held-to-maturity	6,097,865	6,260,246	2,468,842	2,470,887
Government securities	6,092,754	6,255,134	2,463,807	2,465,853
Private securities	5,111	5,112	5,035	5,034
Total	36,347,641	36,326,733	27,424,008	27,166,817

Although marking to market adjustments are only made for Banco Sicoob's and investment fund's securities, according to the classifications for which this procedure is applicable, the credit unions' securities were marked to market for presentation purposes.

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6.1.3 Income from securities and derivative financial instruments

Balances	Note	6/30/2021	6/30/2020
Income from fixed-income securities		451,591	491,231
Income from short-term interbank investments	(a) and 6.2.1	324,313	294,775
Income from fixed-income securities		5	30
Expenses with securities		(15,643)	(25,062)
Income from derivative transactions		9,828	16,714
Expenses with derivative transactions		(9,458)	(23,443)
Other		77	1,281
Total	(a)	760,714	755,526

(a) The decrease in income from securities and short-term interbank investments resulted from the fall in interest rates.

6.2. Short-term interbank investments

	Note	Up to 1 month	Up to 3 months	Maturity		6/30/2021	12/31/2020
				From 3 months to 1 year	Over 1 year		
Investments in repurchase agreements		22,677,266	-	-	-	22,677,266	27,213,874
Resales pending settlement - own resources	(a)	22,677,266	-	-	-	22,677,266	27,213,874
Investments in interbank deposits		388,532	330,594	15,754	-	734,880	934,124
Investments in savings account deposits		942				942	981
Total		23,066,740	330,594	15,754	-	23,413,088	28,148,979
Current		23,066,740	330,594	15,754	-	23,413,088	28,119,761
Non-current		-	-	-	-	-	29,218

(a) Transactions backed by federal government securities carried out mainly between Banco Sicoob and other financial institutions.

6.2.1 Income from short-term interbank investments

Balances	Note	6/30/2021	6/30/2020
Own resources		312,307	278,685
Income from investments in interbank deposits		12,006	16,090
Total	(a) and 6.1.3	324,313	294,775

(a) The decrease in income from short-term interbank investments resulted from the fall in interest rates.

6.3. Lending operations

Balances	6/30/2021	12/31/2020
Loans and discounted bills	62,345,417	56,756,273
Financing	14,102,981	11,374,788
Rural and agribusiness financing	24,269,935	20,329,905
Real estate financing	332,507	209,255
Total lending operations	101,050,840	88,670,221
(-) Provisions for loan losses	(4,787,715)	(4,679,094)
Total lending operations - net of provision	96,263,125	83,991,127
Current	45,754,424	39,619,410
Non-current	55,296,416	49,050,811

6.3.1 Loan portfolio by industry and maturity

Industry	Note	Past-due	Falling due					Over 15 years	6/30/2021	12/31/2020
			Falling due in up to 3 months	From 3 to 12 months	From 1 to 3 years	From 3 to 5 years	From 5 to 15 years			
Rural and agribusiness financing		81,354	3,163,834	9,580,777	6,946,761	2,543,229	1,953,975	-	24,269,930	20,329,905
Individuals		549,081	4,078,300	7,926,815	10,731,842	4,428,036	2,787,576	14,904	30,516,554	26,999,600
Real estate financing		123	4,306	10,164	26,682	26,487	125,513	139,232	332,507	209,255
Legal entities										
Services		225,025	1,892,013	3,901,916	6,614,892	2,250,932	827,218	5,173	15,717,169	14,132,816
Manufacturing		180,543	2,296,103	2,962,145	4,538,235	1,486,969	452,988	3,260	11,920,243	10,582,130
Trade		318,584	3,308,937	4,870,880	6,537,743	1,607,720	383,226	2,031	17,029,121	15,258,255
Other	(a)	18,199	103,957	281,368	479,486	274,043	108,230	33	1,265,316	1,158,260
Total		1,372,909	14,847,450	29,534,065	35,875,641	12,617,416	6,638,726	164,633	101,050,840	88,670,221
Current		1,372,909	14,847,450	29,534,065	-	-	-	-	45,754,424	39,619,410
Non-current		-	-	-	35,875,641	12,617,416	6,638,726	164,633	55,296,416	49,050,811

(a) Relates mostly to legal entities which operate in Trade/Manufacturing industries, and therefore, do not fit into the manufacturing or trade fields of activity on an individual basis.

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6.3.2 Provisions for expected credit losses - by risk level

Risk	6/30/2021				12/31/2020		
	Percentage	Balance of the portfolio	% of the portfolio	Amount of provision	Balance of the portfolio	% of the portfolio	Amount of provision
AA	-	8,684,395	8.59	-	7,271,523	8.20	-
A	0.50	38,639,551	38.24	193,198	34,531,425	38.94	172,657
B	1.00	25,714,529	25.45	257,145	22,027,695	24.84	220,277
C	3.00	18,943,742	18.75	568,312	15,929,778	17.97	477,893
D	10.00	4,109,823	4.07	410,982	3,870,634	4.37	387,063
E	30.00	1,479,088	1.46	443,726	1,516,192	1.71	454,858
F	50.00	859,191	0.85	429,596	859,151	0.97	429,576
G	70.00	445,970	0.44	312,179	421,756	0.48	294,704
H	100.00	2,174,551	2.15	2,172,577	2,242,067	2.53	2,242,066
Total		101,050,840	100.00	4,787,715	88,670,221	100.00	4,679,094

6.3.3 Provisions for expected credit losses, by risk level - transactions carried out with resources from PESE, under the terms of Resolution 4.846/2020

As required by the Resolution, the balances of transactions contracted with funds transferred by BNDES under the terms of the Emergency Employment Support Program (PESE) in the first half of 2021 are presented below, by risk level:

Risk	6/30/2021				12/31/2020		
	Percentage	Balance of the portfolio	% of the portfolio	Amount of provision	Balance of the portfolio	% of the portfolio	Amount of provision
AA	-	-	0.00%	-	-	-	-
A	0.50	26,188	43.43%	20	32,682	45.88	25
B	1.00	18,066	29.96%	27	19,382	27.21	29
C	3.00	13,396	22.22%	60	16,948	23.79	76
D	10.00	2,343	3.89%	35	2,004	2.81	30
E	30.00	65	0.11%	3	188	0.26	8
F	50.00	60	0.10%	4	-	-	-
G	70.00	67	0.11%	7	33	0.05	3
H	100.00	110	0.18%	17	-	-	-
Total		60,295	100	173	71,237	100.00	171

6.3.4 Falling due ordinary lending operations

Risk							6/30/2021	12/31/2020
	In up to 3 months	From 3 to 12 months	From 1 to 3 years	From 3 to 5 years	From 5 to 15 years	Over 15 years		
AA	1,377,912	2,537,154	2,802,860	1,134,278	818,478	10,442	8,681,124	7,257,386
A	5,839,275	11,600,423	13,187,043	4,859,256	2,961,816	103,553	38,551,367	34,432,252
B	3,633,071	7,665,302	9,546,893	3,209,151	1,490,819	29,114	25,574,350	21,934,952
C	2,875,533	5,537,375	7,071,411	2,284,048	878,524	8,023	18,654,914	15,746,004
D	622,093	1,142,532	1,508,544	470,348	171,468	2,234	3,917,219	3,718,823
E	177,985	354,129	554,960	196,192	74,180	2,219	1,359,664	1,416,318
F	97,614	191,832	317,502	116,150	36,757	4,705	764,559	770,154
G	40,164	92,362	161,877	58,804	21,649	621	375,477	353,138
H	183,803	412,957	724,553	289,189	185,035	3,722	1,799,258	1,787,305
Total	14,847,449	29,534,065	35,875,642	12,617,416	6,638,726	164,633	99,677,932	87,416,332
Current	14,847,449	29,534,065	-	-	-	-	44,381,515	38,365,654
Non-current	-	-	35,875,642	12,617,416	6,638,726	164,633	55,296,417	49,050,678

6.3.5 Past-due extraordinary lending operations

Risk							6/30/2021	12/31/2020
	In up to 3 months	From 3 to 12 months	From 1 to 3 years	From 3 to 5 years	From 5 to 15 years	Over 15 years		
AA	3,271	-	-	-	-	-	3,271	14,137
A	88,184	-	-	-	-	-	88,184	99,173
B	140,180	-	-	-	-	-	140,180	92,743
C	287,960	869	-	-	-	-	288,828	183,774
D	190,220	2,384	-	-	-	-	192,605	151,811
E	85,913	33,510	-	-	-	-	119,423	99,874
F	51,062	43,570	-	-	-	-	94,631	88,997
G	27,913	42,580	-	-	-	-	70,493	68,618
H	116,363	254,314	4,616	-	-	-	375,293	454,762
Total	991,066	377,226	4,616	-	-	-	1,372,908	1,253,889
Current	991,066	377,226	-	-	-	-	1,368,292	1,242,932
Non-current	-	-	4,616	-	-	-	4,616	10,957

Notes to the combined financial statements

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6.3.6 Concentration of lending operations

	6/30/2021	%	12/31/2020	%
10 largest debtors	713,503	0.71	592,759	0.67
50 next largest debtors	1,680,603	1.66	1,484,206	1.67
100 next largest debtors	2,090,175	2.07	1,912,898	2.16
Other	96,566,558	95.56	84,680,358	95.50
Total	101,050,840	100.00	88,670,221	100.00

6.3.7 Changes in the provisions for expected credit losses

	6/30/2021	12/31/2020
Balance at the beginning of the six-month period	4,679,094	3,878,018
Addition (reversal) of provisions for loan losses	1,051,458	2,515,098
Lending operations written off as losses	(942,837)	(1,714,022)
Balance at the end of the six-month period	4,787,715	4,679,094

6.3.8 Gains (losses) on lending operations

Balances	6/30/2021	6/30/2020
Loans and discounted bills	4,436,143	4,191,388
Financing	713,315	503,626
Rural and agribusiness financing	725,018	656,627
Real estate financing	8,966	3,693
Other	12,674	774
Sub-total	5,896,116	5,356,108
Recovery of receivables written-off as losses	377,920	241,566
Total	6,274,036	5,597,674

6.3.9 Renegotiation of lending operations

Loans renegotiated in the first six-month period of 2021 totaled R\$ 4,012,142 (R\$ 4,608,895 at December 31, 2020) and related to payroll-deductible loans, rural credit, and lending operations. The number of renegotiations increased due to the effects of the COVID-19 pandemic.

Note 7 - Other assets

7.1. Payment transactions

Balances	Note	6/30/2021	12/31/2020
Payment transactions - Credit card	(a)	6,418,483	5,736,586
Payment transactions - Acquiring services	(b)	4,255,623	3,739,774
Sub-total		10,674,106	9,476,361
(-) Provisions for credit risk losses - Credit card		(83,333)	(71,441)
Total payment transactions - net of provision		10,590,773	9,404,920
Current		10,507,879	9,390,307
Non-current		82,894	14,613

(a) Relate to transactions carried out by holders of Cabal/Mastercard/Visa credit cards. Credit card transactions are operated by Banco Sicoob.

(b) Relate to acquiring operations, which are centralized at Banco Sicoob.

Notes to the combined financial statements

at June 30, 2021

All amounts in thousands of reais, unless otherwise stated

7.2. Other

Balances	Note	6/30/2021	12/31/2020
Guarantees and sureties honored	(a) and 7.3	158,705	118,572
Deposits in court	(b) and 13.1.2	342,274	455,095
Other settlement systems		723,537	-
Checks and other documents remitted	(c)	685,617	40
Taxes recoverable or to be offset		231,413	206,229
Notes and credits receivable		177,646	133,807
Other receivables with loan characteristics		46,403	42,840
Salary prepayments and advances		67,850	19,589
Advance payments on property and equipment		48,859	45,344
Prepaid expenses		64,778	63,440
Payments to be reimbursed		91,139	168,674
Debtors for purchase of assets	(d)	394,352	335,962
Inventories of materials		8,498	7,400
Non-financial assets held for sale	(e)	1,218,799	1,322,249
Prepaid expenses	(f)	188,779	123,969
Amounts receivable - Fees		53,155	46,027
Other		176,910	174,832
Sub-total		4,678,714	3,264,069
Provisions for credit risk losses - Other receivables		(174,105)	(143,432)
Provisions for other receivables without loan characteristics		(35,259)	(40,655)
(-) Provision for impairment of non-financial assets held for sale		(228,458)	(186,785)
Total provisions for other receivables		(437,822)	(370,872)
Total		4,240,892	2,893,197
Current		3,709,838	991,885
Non-current		531,054	1,901,312

(a) Guarantees and sureties honored by individual credit unions on lending operations.

(b) Relates to deposits in court made by Sicoob's entities, at the request of the court or in accordance with a strategy adopted by these entities, without actual settlement of the contingent liability.

(c) Relates to checks issued.

(d) Relates mainly to notes receivable for the sale of properties received in renegotiations of loan debts, which have been substantially adjusted by the Long-term Interest Rate (TJLP) or Interbank Deposit Certificate (CDI) variation.

(e) Properties received in lieu of payment of loan debts.

(f) Comprised mostly of commissions payable on lending operations, deferred based on the contractual provisions.

7.3. Balances of other receivables with loan characteristics

Other receivables with loan characteristics	Note	6/30/2021	12/31/2020
Payment transactions - Credit card	7.1	6,418,483	5,736,586
Debtors for purchase of assets	7.2	394,352	335,962
Guarantees and sureties honored	7.2	158,705	118,572
Other notes and receivables with loan characteristics	7.2	46,403	42,840
Total portfolio of other receivables with loan characteristics		7,017,943	6,233,960
(-) Provisions for credit risk losses - Payment transactions - Credit card	7.1	(83,333)	(71,442)
(-) Provisions for credit risk losses - other	7.2	(174,105)	(143,432)
Total provisions for credit risk losses	7.3.5	(257,438)	(214,874)
Total other receivables - net of provision		6,760,505	6,019,086
Current		6,660,621	5,946,052
Non-current		357,322	287,908

7.3.1 Provisions for loan losses, by risk level

Risk	Percentage	6/30/2021		12/31/2020			
		Balance of the portfolio	% of the portfolio	Balance of the portfolio	% of the portfolio	Amount of provision	
AA	-	56,777	0.81	-	65,241	1.05	-
A	0.50	4,379,433	62.40	21,897	3,976,705	63.79	19,884
B	1.00	1,473,360	20.99	14,734	1,223,037	19.62	12,230
C	3.00	632,458	9.02	18,974	561,668	9.01	16,850
D	10.00	219,185	3.12	21,919	203,354	3.26	20,335
E	30.00	83,050	1.18	24,914	54,614	0.88	16,384
F	50.00	24,512	0.35	12,256	13,111	0.21	6,556
G	70.00	21,435	0.31	15,004	44,991	0.72	31,396
H	100.00	127,733	1.82	127,740	91,239	1.46	91,239
Total		7,017,943	100.00	257,438	6,233,960	100.00	214,874

Notes to the combined financial statements

at June 30, 2021

All amounts in thousands of reais, unless otherwise stated

7.3.2 Concentration of other receivables with loan characteristics

	6/30/2021	%	12/31/2020	%
10 largest debtors	116,480	1.66	103,251	1.66
50 next largest debtors	119,676	1.71	111,887	1.79
100 next largest debtors	82,459	1.17	66,284	1.06
Other	6,699,328	95.46	5,952,538	95.49
Total	7,017,943	100.00	6,233,960	100.00

7.3.3 Ordinary transactions of other receivables with loan characteristics - falling due portion

Risk	In up to 3 months	From 3 to 12 months	From 1 to 3 years	From 3 to 5 years	From 5 to 15 years	Over 15 years	6/30/2021	12/31/2020
AA	2,191	17,663	18,837	8,871	9,216	-	56,777	65,232
A	680,692	3,600,283	59,794	20,230	18,213	-	4,379,212	3,976,527
B	237,913	1,141,218	46,810	20,492	26,319	114	1,472,866	1,222,918
C	113,437	459,442	25,429	21,990	10,358	63	630,717	561,375
D	44,428	154,544	8,329	5,084	6,528	28	218,942	203,167
E	9,383	21,668	4,758	4,525	5,089	188	45,611	37,176
F	1,100	2,773	491	219	-	-	4,584	2,869
G	501	1,572	185	25	-	-	2,284	33,060
H	2,871	7,225	8,935	7,796	13,432	479	40,738	11,615
Total	1,092,516	5,406,388	173,568	89,232	89,155	872	6,851,731	6,113,939
Current	1,092,516	5,406,388	-	-	-	-	6,498,904	5,827,935
Non-current	-	-	173,568	89,232	89,155	872	352,827	286,004

7.3.4 Extraordinary transactions of other receivables with loan characteristics - past-due portion

Risk	In up to 3 months	From 3 to 12 months	From 1 to 3 years	From 3 to 5 years	From 5 to 15 years	Over 15 years	6/30/2021	12/31/2020
AA	-	-	-	-	-	-	-	9
A	221	-	-	-	-	-	221	178
B	494	-	-	-	-	-	494	119
C	1,739	1	-	-	-	-	1,740	293
D	240	2	-	-	-	-	242	187
E	30,687	6,753	-	-	-	-	37,440	17,438
F	10,322	9,607	-	-	-	-	19,929	10,242
G	8,193	10,958	-	-	-	-	19,151	11,931
H	15,592	66,909	4,495	-	-	-	86,995	79,624
Total	67,488	94,230	4,495	-	-	-	166,212	120,021
Current	67,488	94,230	-	-	-	-	161,717	118,117
Non-current	-	-	4,495	-	-	-	4,495	1,904

7.3.5 Changes in the provisions for loan losses - other receivables

	6/30/2021	12/31/2020
Balance at the beginning of the six-month period	214,874	198,324
Addition (reversal) of provisions for loan losses	42,564	16,550
Balance at the end of the six-month period	257,438	214,874

Note 8 - Tax credits

8.1. Balances of tax credits

The tax credits recorded and presented in Sicoob's combined financial statements arise from those recorded in Banco Sicoob and Sicoob DTVM, as shown below:

Notes to the combined financial statements

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Balances	6/30/2021		12/31/2020	
	Income tax	Social contribution	Income tax	Social contribution
Provision for loan losses	217,203	217,203	198,301	198,301
Contingent liabilities	14,868	14,868	14,670	14,670
Adjustment to market value	101,708	101,708	83,782	83,782
Profit sharing	5,672	5,672	13,301	13,301
Commission on SIPAG Acceleration Program	3,790	3,790	4,009	4,009
Government Severance Indemnity Fund for Employees (FGTS) - 50% - Executive Board	2,499	2,499	2,096	2,096
Provisions for the national sales campaign	25,686	25,686	29,582	29,582
Incentive Program - Credit	168,594	168,594	102,702	102,702
Card bonuses	-	-	5,345	5,345
Legal fees	1,518	1,518	1,518	1,518
Other provisions	96,395	96,395	73,086	73,086
Amount	637,933	637,933	528,392	528,392
Tax rates	25%	20%/15%/9%	25%	20%, 15%
Tax credits recognized	159,483	137,247	132,098	105,644
Current	-	-	-	-
Non-current	159,483	137,247	132,098	105,644

8.2. Changes in net tax assets

Changes	6/30/2021		12/31/2020	
	Income tax	Social contribution	Income tax	Social contribution
At December 31				
Deferred tax assets	132,098	105,644	100,921	60,552
Deferred tax liabilities	(40)	(32)	(284)	(170)
Sub-total	132,058	105,612	100,637	60,382
Adjustment to profit (loss)	22,955	28,010	10,192	28,303
Tax credits recognized	122,373	107,181	214,904	184,053
Tax credits derecognized	(99,458)	(79,203)	(204,673)	(155,718)
Changes in deferred taxes	40	32	(39)	(32)
Adjustment to equity (securities)	4,470	3,625	21,229	16,927
Tax credits recognized	146,934	117,596	118,262	94,289
Tax credits derecognized	(142,464)	(113,971)	(97,316)	(77,532)
Changes in deferred taxes	-	-	283	170
Changes	27,425	31,635	31,421	45,230
At December 31				
Deferred tax assets	159,483	137,247	132,098	105,644
Deferred tax liabilities	-	-	(40)	(32)
	159,483	137,247	132,058	105,612

8.3. 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 in up to ten years, as follows:

Years	Nominal amount	Present value
2021	106,957	101,648
2022	41,924	37,366
2023	24,735	20,701
2024	20,626	16,208
2025	38,598	28,480
2026 to 2030	63,890	44,263
Total tax credits	296,730	248,666

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

Notes to the combined financial statements

at June 30, 2021

All amounts in thousands of reais, unless otherwise stated

Note 9 - Investments

Investments made by Central Credit Unions in Sicoob Confederation are stated at cost, and investments made by Banco Sicoob and credit unions in associates and subsidiaries are valued under the equity method, and recorded in Non-current assets, within "Investments". Results from equity interests were included in the combined statement of income, within "Equity in the results of subsidiaries and associates".

Investments in subsidiaries and associates	Note	Ownership interest %	6/30/2021			12/31/2020			
			Investment amount	Goodwill	Equity in the results	Ownership interest %	Investment amount	Goodwill	Equity in the results
Sicoob Confederation	(a)	100.00	-	-	-	100.00	268,029	-	-
Sicoob Pagamentos Ltda.	(b)	99.00	86,855	14,317	25,482	80.00	61,373	39,799	3,558
Sicoob PAR	(c)	100.00	77,724	-	10,775	100.00	66,949	-	24,158
Consórcio Ponta	(d)	99.99	-	-	-	99.99	84,546	-	4,138
Seguradoras (Minaseg, Corretora and Sancor)	(e)	-	77,520	-	10,677	-	41,871	-	-2136
Other		-	9,367	-	-	-	36,297	-	14,977
Sub-total		-	251,466	14,317	46,935	-	559,065	39,799	44,694

Other investments	Note	Ownership interest %	Investment amount	Goodwill	Equity in the results	Ownership interest %	Investment amount	Goodwill	Equity in the results
Sicoob Agências - Real estate investment fund	(f)	-	32,545	-	-	-	32,545	-	-
Sub-total		-	32,545	-	-	-	32,545	-	-
Total		-	284,011	14,317	46,935	-	591,610	39,799	44,694

Current	-	-	-	-	-	-	-	-	-
Non-current	-	-	284,011	14,317	46,935	-	591,610	39,799	44,694

(a) Third-level credit union established by Sicoob's central credit unions for the purpose of safeguarding the interests of the System, through the standardization, oversight, and integration of operation, financial, regulatory, and technological procedures. This credit union also defines communication and marketing policies and strategies, mainly as regards the Sicoob brand. Sicoob Confederation started to be included in the combined financial statements at June 30, 2021 for compliance with Official Letter 34133/2020-BCB/DESUC. Accordingly, the balance of investments is zero when compared to December 31, 2020.

(b) Subsidiary of Banco Sicoob, operator of Mastercard, Visa and Cabal credit cards.

(c) Investment in Sicoob Participações em Seguridade S.A. - Sicoob PAR Seguridade, subsidiary of Banco Sicoob, holder of an equity interest in Sicoob Seguradora.

(d) Sicoob's Consortium Administrator, subsidiary of Banco Sicoob.

(e) Investments held by two Sicoob's central credit unions.

(f) Relates to investment property held by a real estate investment fund.

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Note 10 - Property and equipment

Property and equipment in use	6/30/2021			12/31/2020		
	Adjusted cost	Accumulated depreciation/ amortization	Net balance	Adjusted cost	Accumulated depreciation/ amortization	Net balance
Construction in progress	288,143	-	288,143	270,796	-	270,796
Land	210,589	-	210,589	206,051	-	206,051
Buildings	1,195,656	(322,718)	872,938	1,123,250	(290,221)	833,029
Furniture and fixtures/Equipment and facilities	1,323,674	(606,011)	717,663	1,219,695	(527,752)	691,942
IT equipment	703,541	(423,239)	280,302	650,556	(403,867)	246,689
Other	289,106	(150,787)	138,319	60,576	(32,656)	27,920
Sub-total	4,010,709	(1,502,755)	2,507,954	3,530,924	(1,254,496)	2,276,428
Impairment of assets	-	-	(6,119)	-	-	(6,102)
Total	4,010,709	(1,502,755)	2,501,835	3,530,924	(1,254,496)	2,270,326
Current	-	-	-	-	-	-
Non-current	4,010,709	(1,502,755)	2,501,835	3,530,924	(1,254,496)	2,270,326

Note 11 - Intangible assets

Intangible assets	6/30/2021			12/31/2020		
	Adjusted cost	Accumulated depreciation/ amortization	Net balance	Adjusted cost	Accumulated depreciation/ amortization	Net balance
Software	216,486	(177,716)	38,770	205,092	(172,923)	32,169
Communication and security systems	11,200	-	11,200	12,053	-	12,053
Other	502,121	(401,515)	100,606	16,968	(9,155)	7,813
Sub-total	729,807	(579,231)	150,576	234,113	(182,078)	52,035
Impairment of assets	-	-	(342)	-	-	(320)
Total	729,807	(579,231)	150,234	234,113	(182,078)	51,715
Current	-	-	-	-	-	-
Non-current	729,807	(579,231)	150,234	234,113	(182,078)	51,715

Note 12 - Financial liabilities

12.1. Breakdown by type and maturity

Balances	Maturity				6/30/2021	12/31/2020
	With no defined maturity	Up to 3 months	From 3 to 12 months	Over 1 year		
Demand deposits	36,633,145	-	-	-	36,633,145	32,587,957
Savings deposits	10,697,012	-	-	-	10,697,012	9,902,350
Interbank deposits/Rural interbank deposits	-	2,984,867	579,645	2,091,944	5,656,458	3,604,359
Bank Deposit Certificates (CDBs)	-	27,508	202,314	758,652	988,473	914,033
Notice deposits	-	-	301,622	-	301,622	286,312
Credit Union Deposit Receipts (RDCs)	67,597,649	-	-	-	67,597,649	60,282,478
Other	27	-	-	-	27	12
Total	114,927,833	3,012,375	1,083,581	2,850,596	121,874,385	107,577,501
Current	114,927,833	3,012,375	1,083,581	-	119,023,790	106,567,226
Non-current	-	-	-	2,850,596	2,850,596	1,010,275

12.1.1 Concentration of depositors

	6/30/2021		12/31/2020	
		%		%
10 largest depositors	5,766,853	4.73	3,531,576	3.28
50 next largest depositors	3,676,158	3.02	2,455,365	2.28
100 next largest depositors	2,917,203	2.39	2,302,664	2.14
Other	109,514,171	89.86	99,287,896	92.29
Total	121,874,385	100.00	107,577,501	100.00

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12.2. Repurchase agreement obligations

Balances	Maturity			6/30/2021	12/31/2020
	Up to 3 months	From 3 months to 1 year	Over 1 year		
Own portfolio - Financial Treasury Bills (LFT)	122,246	-	-	122,246	184,987
Total	122,246	-	-	122,246	184,987
Current	122,246	-	-	122,246	184,987
Non-current	-	-	-	-	-

12.3. Funds from acceptance of bills of exchange, real estate and mortgage notes, and debentures

Balances	Maturity			6/30/2021	12/31/2020
	Up to 3 months	From 3 months to 1 year	Over 1 year		
Agribusiness Credit Notes - fixed rate	31,514	36,222	59,844	127,580	137,808
Agribusiness Credit Notes - floating rate	1,053,361	2,345,163	3,449,577	6,848,101	5,660,323
Real Estate Credit Notes - fixed rate	2,609	34,831	18,656	56,095	24,095
Real Estate Credit Notes - floating rate	241,100	703,150	479,017	1,423,268	685,852
Other	-	-	-	-	10,149
Total	1,328,584	3,119,366	4,007,094	8,455,044	6,518,227
Current	1,328,584	3,119,366	-	4,447,950	3,685,762
Non-current	-	-	4,007,094	4,007,094	2,832,465

12.4. Expenses with money market funding

Balances	Note	6/30/2021	6/30/2020
Savings deposits		90,577	90,786
Interbank deposits		24,051	68,217
Time deposits (CDB and RDC)		805,397	821,048
Notice deposits		3,757	6,627
Open market funding		2,868	1,725
Funding through Agribusiness Credit Notes		74,913	88,613
Funding through Real Estate Credit Notes		13,815	-
Other		86,017	58,504
Total	(a)	1,101,395	1,135,520

(a) The decrease in funding expenses follows the reduction in the SELIC rate.

12.5. Borrowing and onlending obligations

Onlending obligations of Brazilian institutions are mainly represented by funds obtained from BNDES/FINAME, National Treasury, Banco do Brasil, and Funcafé credit facilities, maturing up to 2038, and bearing finance charges of up to 11.18 % p.a.

Balances	Note	Maturity			6/30/2021	12/31/2020
		With no defined maturity	Up to 3 months	From 3 months to 1 year		
In Brazil						
BNDES		-	90,069	325,056	1,915,162	2,330,287
FINAME		-	59,410	155,654	613,413	828,477
Funcafé		-	149,792	486,977	36,180	672,949
Banco do Brasil	(a)	-	2,359	97,738	97,577	197,674
Other financial institutions	(b)	-	1,244	8,424	7,188	16,856
Total onlendings in Brazil		-	302,874	1,073,849	2,669,520	4,046,243
Abroad						
Foreign institutions		-	-	-	9,216	9,216
Total onlendings abroad		-	-	-	9,216	-
Current		-	302,874	1,073,849	-	1,376,723
Non-current		-	-	-	2,678,736	2,879,453

(a) Mostly relating to onlending of funds from the Midwest Constitutional Financing Fund (FCO).

(b) Onlendings held mainly with FGCOOP and the banks Bradesco, Itaú, and HSBC.

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12.5.1 Borrowing and onlending obligations

Balances	6/30/2021	6/30/2020
BNDES	50,179	33,006
FINAME	23,974	19,186
Funcafé and financial institutions	22,717	18,228
Banco do Brasil	990	580
Other	211	-
Total	98,071	71,000

Note 13 - Provisions for contingencies and legal obligations

13.1. Contingencies

The entities that comprise Sicoob are parties to tax-related lawsuits and administrative proceedings. These lawsuits are classified by Management under the advice of internal and external legal counsel according to the likelihood of a successful outcome, and taking into consideration the nature and specifics of each lawsuit, as well as former decisions of higher courts.

The provisions for lawsuits are recognized, measured and disclosed as follows:

A provision is recognized only when:

- (a) Sicoob's entities have 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, where it is probable that a present obligation exists at the balance sheet date, Sicoob records a provision, and, where this is not probable, the contingent liability is disclosed, unless the possibility of an outflow of resources is considered remote.

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

13.1.1 Lawsuits classified as involving risk of probable loss

The contingencies classified as involving risk of probable loss basically arise from labor and tax lawsuits and administrative proceedings inherent in the normal course of business, filed by third parties, former employees and public agencies.

13.1.2 Deposits in court and provisions for contingencies

Type of lawsuit	Note	6/30/2021		12/31/2020	
		Deposits in court	Provisions	Deposits in court	Provisions
Tax		299,933	285,760	417,991	282,717
Labor		14,575	32,748	11,918	31,105
Civil		27,766	59,534	25,186	53,099
Total	7.2	342,274	378,042	455,095	366,921
Current		-	-	-	-
Non-current		342,274	378,042	455,095	366,921

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13.1.3 Changes in provisions for contingencies

	Note	6/30/2021			12/31/2020
		Tax	Labor	Civil	Total
Balance at the beginning of the six-month period		282,717	31,105	53,099	366,921
Remaining balances	(a)	2	-	5,226	5,228
New provisions		5,541	10,650	8,999	25,191
Reversals		(1,851)	(2,948)	(3,583)	(8,383)
Monetary adjustments		1,847	353	244	2,444
Deposits in court		770	85	269	1,126
Payments//utilization		(3,220)	(6,419)	(4,386)	(14,026)
Balances of credit union merged		-	(78)	(175)	(254)
Balances of credit unions excluded from the System		(46)	-	(159)	(205)
Balance at the end of the six-month period		285,760	32,748	59,534	378,042

(a) Balances of Consórcio Ponta, Unicoob Consórcios, and Sicoob Confederation included in consolidation from June 30, 2021, pursuant to determination of the Brazilian Central Bank.

13.1.4. Nature of lawsuits classified as involving risk of probable loss

The nature of lawsuits classified by the legal advisors as involving risk of probable loss is described below:

- (a) **Tax** - these lawsuits are being discussed at the administrative level and relate to tax assessment notices received from the Federal Revenue Service with respect to Corporate Income Tax (IRPJ), Social Contribution on Net Income (CSLL), Social Integration Program (PIS), and Social Contribution on Revenues (COFINS) levied on returns from financial investments, as well as to the increase in the COFINS tax rate.
- (b) **Civil** - these lawsuits basically relate to contractual terms, registration of clients with credit protection services, and pain and suffering.
- (c) **Labor** - relate mainly to lawsuits filed by former employees disputing severance pay.

13.1.5 Schedule of expected cash outflows

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

13.1.6 Contingencies classified as involving risk of possible loss

Lawsuits classified as involving risk of possible loss are not recognized, and are only disclosed when the amount involved is material. This classification includes:

- (a) civil lawsuits claiming pain and suffering, and material damages caused by the credit unions;
- (b) civil lawsuits claiming improper collection and registration with credit protection services;
- (c) civil lawsuits challenging contractual reviews of lending operations;
- (d) civil lawsuits discussing Banco Sicoob's joint liability in relation to deposits made into credit unions;
- (e) civil lawsuits discussing Banco Sicoob's civil liability for an error made by a credit union;
- (f) labor lawsuits;
- (g) tax and social security administrative proceedings (Accident Prevention Factor (FAP), Scholarships and Social Integration Program (PIS));
- (h) lawsuit filed by the Bank for annulment of a tax assessment notice. The tax assessment notice intended to be annulled through the aforementioned action for annulment refers to the amount deducted by Banco Sicoob from the tax base in 2008. The deduction arose from the compensatory nature of the amount paid by Banco Sicoob, as decided at an Extraordinary General Meeting, due to a flaw in the provision of services under the Bank's responsibility.

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13.1.7 Total contingencies classified as involving risk of possible loss

Management, under the advice of Sicoob members' legal counsel estimates the possible risk of loss at R\$ 924,631 (R\$ 648,964 in 2020).

13.2. Provisions for guarantees provided

The guarantees provided by Sicoob's entities through financial charges relating to endorsements and sureties totaled R\$ 9,353,834 at June 30, 2021 (R\$ 8,747,535 at December 31, 2020). Provisions recorded in liabilities totaled R\$ 251,258 at June 30, 2021 (R\$ 235,595 at December 31, 2020).

Income from guarantees provided amounted to R\$ 2,580 in the period (R\$ 3,919 at June 30, 2020).

The provisions recorded for guarantees provided are subject to the same criteria established in Resolution 2,682/1999 for classifying the credit risk posed by the borrowers. Expenses incurred with provisions for guarantees totaled R\$ 127,428 at June 30, 2021 (R\$ 236,388 at June 30, 2020). In the same period, provisions of R\$ 115,809 (R\$ 291,199 at June 30, 2020) were reversed.

Note 14 - Other liabilities

14.1. Payment transactions

Balances	Note	6/30/2021	12/31/2020
Payment transactions	(a)	5,489,559	4,804,890
Obligations related to payment transactions		2,434,987	2,535,306
Obligations related to payment arrangement services		1,689	1,675
Total		7,926,235	7,341,871
Current		7,926,235	7,341,871
Non-current		-	-

(a) Mainly comprised of acquiring operations, which are centralized at Banco Sicoob.

14.2. Social and statutory obligations

Balances	6/30/2021	12/31/2020
Dividends and bonuses payable	76,335	1,801
FATES	552,354	566,220
Provision for profit sharing	64,787	112,513
Bonuses payable	33,694	45,480
Capital units payable	535,810	456,633
Other	16,582	12,891
Total	1,279,562	1,195,538
Current	1,279,562	1,195,538
Non-current	-	-

14.3. Tax and social security obligations

Balances	6/30/2021	12/31/2020
PIS/COFINS/ISSQN and other taxes	44,788	49,457
Taxes payable on third-party services	17,372	18,176
Taxes and contributions on salaries	112,377	119,123
Total	174,537	186,756
Current	169,259	186,756
Non-current	5,278	-

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14.4. Other

Balances	Note	6/30/2021	12/31/2020
Collection of taxes and similar charges	(a)	579,333	16,673
Third-party funds in transit	(b)	104,765	29,117
Payment Orders	(c)	1,304,354	1,094,661
Liabilities for consortium transactions		22,312	-
Cashier's checks	(d)	498,652	72,298
Provision for the payment of administrative expenses	(e)	778,621	669,645
Provision for personnel expenses		645,611	572,136
Obligations related to official agreements - INSS		52,216	30,434
Payments not yet processed		23,967	22,023
Payables to third parties		63,005	55,625
Settlement - collection	(f)	355,606	32,398
Checks deposited		67,760	34,326
Payables for acquisition of assets and rights		49,994	38,157
Obligations related to fund shares	(g)	447,297	461,737
Guarantee fund for deposits/assets	(h)	133,413	168,433
Commissions payable		26,931	14,574
Others		462,287	234,885
Total		5,616,124	3,547,120
Current		5,616,124	3,547,120
Non-current		-	-

(a) Relate mainly to the receipt of federal, state and municipal taxes, and GTS and INSS amounts to be transferred.

(b) Relate mainly to amounts received for the payment of public utility companies and agreements, such as: electricity and gas, water supply and sewage treatment, and telecommunications, among others.

(c) Relates to payment orders pending settlement which had not been cleared up to June 30, 2021.

(d) Relates to amounts in checks and other documents received.

(e) Relates to provisions for the payment of expenses such as water, electricity, gas, rental, communication, publicity and advertising, among others.

(f) Relates mainly to amounts received for payment of collection documents.

(g) Relates to fund shares held by non-members of Sicoob.

(h) Relates to guarantee funds for assets and deposits, established by central credit unions.

Note 15 - Equity

15.1. Share capital

Capital is comprised of units equivalent to R\$ 1.00 each, and each member of the System is entitled to one vote, irrespective of the number of units held.

During the reporting period, capital paid up by members increased by R\$ 738,766, (R\$ 737,600 at June 30, 2020). Write-offs of capital totaled R\$ 767,645 in the period (R\$ 481,075 at June 30, 2020).

The number of members at June 30, 2021 and December 31, 2020 was as follows:

Members	6/30/2021	12/31/2020
Individuals	4,300,813	4,107,883
Legal entities	1,055,523	987,795
Total	5,356,136	5,095,678

15.2. Capital reserves

This reserve is formed by statutory appropriations of surpluses, at a percentage established in the bylaws, and is used to offset losses and support the credit unions' activities. Capital reserves comprise reserve fund, reserves for expansion, reserves for contingencies, legal reserve and other reserves, which totaled R\$ 4,439 at June 30, 2021 (R\$ 99,796 at December 31, 2020).

15.3. Revenue reserves

Revenue reserves are comprised of the reserve fund, reserves, reserves for expansion, and others. In the first six-month period of 2021, the amount of R\$ 215,794 was transferred to the reserve fund (R\$ 1,418,176 at December 31, 2020), and R\$ 541,187 was transferred to other reserves (R\$ 505,354 at December 31, 2020).

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15.4. Dividends

The shareholders of Banco Sicoob are entitled to mandatory minimum dividends corresponding to 5% of adjusted profit for the year. Banco Sicoob approved the distribution of dividends totaling R\$ 5,591, equivalent to R\$ 5.50 per thousand shares (R\$ 7,649, equivalent to R\$ 7.62 per thousand shares, at December 31, 2020).

15.5. Interest on capital

Interest on capital is computed on the balance of paid-up capital and adjusted by the SELIC rate, limited to 12% per year, as established by Law 5,764/1971.

The percentage used to adjust the members' balance of paid-up capital may vary among the credit unions. Expenses with interest on capital for the period is recorded in the combined statement of changes in equity as allocation of surplus for the period. Interest on capital is paid on the last day of the year, either through a deposit on current account, or as paid-in capital.

The provision for expenses with interest on capital for the period totaled R\$ 76,081 (R\$ 84,346 at June 30, 2020).

15.6. FATES - Fund for Technical, Educational and Social Assistance

As provided for in Law 130/2009, this fund is intended for educational activities and the provision of assistance to the credit unions' members, their relatives, and employees. Funds arising from activities unrelated to the core business of the credit unions, as well as at least 5% of the net surplus for the year, are allocated to FATES, as provided for in the bylaws. The amounts payable are recognized within a specific line item in liabilities, in accordance with the Accounting Chart for Institutions of the National Financial System (COSIF). The amounts allocated to FATES in the first six-month period of 2021 totaled R\$ 7,334 (R\$ 7,755 at June 30, 2020).

15.7. Losses

Pursuant to Supplementary Law 130/2009, the losses computed by credit unions for the six-month period are by funds from the Legal Reserve. In the event of insufficiency of funds, the losses will be apportioned among the members and covered by future years' surpluses, upon approval by the general meeting.

15.8. Surplus for the period

Surpluses are distributed and allocated in accordance with each entity's bylaws, and in compliance with BACEN standards, as approved at the Annual General Meeting. Surplus for the period totaled R\$ 2,203,841 (R\$ 1,424,309 at June 30, 2020).

15.9. Other comprehensive income (loss)

Adjustments from the mark-to-market of available-for-sale securities, net of the income tax and social contribution effects (Note 8.1), and applicable only to securities held by Banco Sicoob. The effects of these adjustments resulted in the negative amount of - R\$ 51,871 (- R\$ 6,025 in December 2020), net of tax effects.

15.10. Approval of appropriations

The appropriations of surplus from the previous year are carried out up to the end of April of the following year, in accordance with these legislation in force and the bylaws of central and individual credit unions. Surpluses are allocated to make up reserve funds, to FATES, to set up reserves, to increase capital, or to be distributed to the members' current account, net of tax effects.

Due to the COVID-19 pandemic, some of the credit unions' meetings scheduled to be held by the end of April were postponed to July 31, 2020 in accordance with Provisional Measure (MP) 931/2020. The same MP provided for the holding of remote meetings and the extension of the mandates of the Board of Directors and the Statutory Audit Board. Therefore, many Sicoob's members opted to conduct virtual meetings through the MOOB App.

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The surplus from previous year, in the amount of R\$ 109,274, was distributed to the members. Capital increase with surplus totaled R\$ 793,315.

Note 16 - Operating revenue

16.1. Income from services rendered and banking fees

	Note	6/30/2021	6/30/2020
Income from collection services		232,940	206,416
Income from payment transaction services		257,343	171,128
Income from prepayments of obligations related to payment transactions	(a)	140,908	126,443
Income from services rendered - commissions	(b)	213,850	226,863
Income from credit card services		172,924	111,456
Income from banking fees		40,102	40,252
Income from investment fund management		3,520	4,581
Income from acquiring services		3,882	1,953
Income from banking fees		510,235	478,988
Income from public utility companies		89,819	75,590
Others		42,664	6,489
Total		1,708,187	1,450,159

(a) Relates to income from advance of receivables for payment transactions.

(b) Relates to commissions received for sales of services or products.

16.2. Other operating income

	Note	6/30/2021	6/30/2020
Income from credit cards		184,349	143,871
Recovery of charges and expenses		125,039	165,138
Reversal of operating provisions		16,007	3,098
Income from Onlendings - <i>Del Credere</i>		25,744	10,489
Adjustment of deposits in court		2,444	7,500
Charges and fees		10,763	8,513
Acquiring operations		118,852	111,737
Income from brokerage, consortia and insurance		17,769	18,169
Income from fines and interest		4,665	26,208
Reversal of provision for guarantees provided	13.2	115,809	97,325
Others		55,306	21,172
Total		676,747	613,220

Note 17 - Operating expenses

17.1. Personnel expenses

Balances	Note	6/30/2021	6/30/2020
Fees paid to officers and directors		224,958	202,515
Salaries	(a)	1,095,986	923,986
Social charges	(b)	419,210	351,010
Benefits	(c)	375,634	322,659
Training programs		5,839	6,576
Interns' compensation		10,658	10,621
Total		2,132,285	1,817,367

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

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

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

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17.2. Administrative expenses

Balances	Note	6/30/2021	6/30/2020
Water, electricity and gas		42,783	38,098
Rentals		157,716	132,524
Communication		90,253	85,496
Maintenance and upkeep		58,317	40,811
Materials		23,943	24,472
Data processing	(a)	121,311	93,385
Promotions and public relations		52,631	49,949
Advertising and publicity		107,413	40,594
Financial System Services	(b)	186,138	169,760
Travels		11,311	15,953
Outsourced services		120,509	102,524
Security and surveillance		118,851	111,018
Specialized technical services		131,244	104,113
Transportation		83,126	81,377
Insurance		18,168	18,343
Depreciation and amortization		186,304	136,275
Legal expenses and notarial fees		26,250	24,369
Apportionment of Sicoob Confederation expenses - other		-	161,917
Other administrative expenses		139,825	77,719
Total		1,676,093	1,508,697

(a) Relates mostly to the apportionment of costs related to technology services provided by Sicoob Confederation. This balance was eliminated on June 30, 2021, upon the inclusion of Sicoob Confederation into the combined financial statements.

(b) Relates mainly to expenses with settlement and clearance services, issue of check books, the Brazilian Payment System (SPB), Centralized Check Clearance Service (COMPE) processing fees, services rendered to credit card brands, fees paid to inspection agencies etc.

17.3. Tax expenses

Balances	6/30/2021	6/30/2020
Social Contribution on Revenues (COFINS)	81,340	61,550
Social Integration Program (PIS/PASEP)	19,710	15,616
Tax on Services of Any Kind (ISSQN)	64,005	39,023
Municipal taxes, fees, and others	14,812	14,724
Other	983	958
Total	180,850	131,871

17.4. Other operating expenses

Balances	Note	6/30/2021	6/30/2020
Credit card administration expenses		179,970	214,590
Expenses with collection fees		40,966	70,118
Discounts granted		57,597	37,953
Contributions to the guarantor fund		8,185	45,760
Contributions to funds for development		1,440	8,442
Cancellation of pending fees		48,330	47,512
Return of income		1,643	1,621
Sundry contributions		45,863	24,377
Contributions to the fund for information technology	(a)	-	2,399
Acquiring operations		167,466	75,135
Sundry commissions		9,492	17,290
Others		3,080	98,091
Total		564,032	643,288

(a) Information technology fund maintained by Sicoob Confederation, to which the credit unions made contributions.

17.5. Non-operating income (expenses)

Balances	Note	6/30/2021	6/30/2020
Non-operating income		63,906	42,831
Non-operating expenses		(29,706)	(31,644)
Provision for devaluation of assets not for own use	(a)	(19,170)	(50,479)
Amortization of goodwill - Cabal Brasil Ltda.		(25,482)	(1,289)
Total		(10,452)	(40,581)

(a) The increase follows the higher number of properties not for use received as payment in kind for non-performing loans.

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Note 18 - Related-party transactions

18.1. Banco Sicoob's subsidiaries

Balances:

	Sicoob DTVM		Sicoob PAR		Sicoob Pagamentos		Consórcio Ponta	
	6/30/2021	12/31/2020	6/30/2021	12/31/2020	6/30/2021	12/31/2020	6/30/2021	12/31/2020
Assets	21	57	-	-	-	-	137	125
Receivables	21	57	-	-	-	-	137	125
Liabilities	6,825	6,516	667	541	304,943	249,113	96,665	95,003
Demand deposits	2	2	31	30	307	373	5	5
Time deposits	6,823	6,514	636	511	280,094	228,847	96,660	94,998
Payables	-	-	-	-	24,542	19,893	-	-
	6/30/2021	6/30/2020	6/30/2021	6/30/2020	6/30/2021	6/30/2020	6/30/2021	6/30/2020
Expenses	-	121	7	9	58,433	49,471	1,272	1,341
Funding expenses	-	121	7	9	3,148	1,189	1,272	1,341
Administrative expenses	-	-	-	-	55,285	48,282	-	-
Revenue	-	-	-	-	7	7	862	833
Sundry income	-	-	-	-	7	7	862	833

18.2. Sicoob's credit unions

The balances of transactions carried out by central and individual credit unions, Sicoob Confederation, Sicoob DTVM, and Consórcio Ponta are shown below:

	6/30/2021	12/31/2020
Financial assets	111,289,213	114,716,698
Available funds	58,454	266
Interbank onlendings and lending operations	17,455,194	14,259,680
Marketable securities	8,217,093	7,510,413
Short-term interbank investments	33,821,962	45,128,344
Financial centralization;	51,736,510	47,817,995
Other receivables	309,278	234,963
Other	261,922	187,190
Prepaid expenses - Credconsignado commission	47,356	47,773
Financial liabilities	92,175,299	98,962,317
Demand and savings deposits	58,454	266
Interbank deposits	32,376,797	41,029,465
Time deposits	3,980,366	3,799,293
Repurchase agreements - own portfolio	1,445,156	4,090,337
Financial centralization;	51,662,939	47,817,995
Borrowing and onlending obligations	2,651,587	2,224,961
Other liabilities	420,700	327,648
Other	420,700	327,648
	6/30/2021	6/30/2020
Revenue	3,095,903	2,543,125
Interbank onlendings and lending operations	386,793	346,816
Short-term interbank investments and marketable securities	670,488	750,568
Income from services rendered	726,153	213,848
Other operating income	1,312,469	1,231,893
Expenses	2,609,912	2,082,353
Funding	977,024	1,042,763
Administrative expenses	567,294	259,837
Other operating expenses	1,065,593	779,753

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18.3. Investment funds

The balances of transactions carried out by individual and central credit unions and Banco Sicoob with combined investment funds that are managed by Sicoob DTVM are presented below:

Funds	Note	6/30/2021			12/31/2020		6/30/2020
		Repurchase agreements	Demand deposits	Income	Repurchase agreements	Demand deposits	Income
Minascoop - Fixed-income investment fund - Private Credit		1,098	9	17	765	6	11
Bancoob Centralização - Fixed-income investment fund - Private Credit		1,900,000	1	24,016	2,366,523	9	20,998
Sicoob Previdenciário - Fixed-income investment fund - IMA-B		1,109	15	18	1,719	9	-
Sicoob Institucional - Fixed-income investment fund - Private Credit		138,067	10	1,041	127,708	9	-
Sicoob Agências - Real estate investment fund		-	2	-	-	2	22
Sicoob SP - Fixed-income investment fund - Private Credit		21,645	8	111	6,856	1	714
Sicoob SP - Fixed-income investment fund - Private Credit		117	8	2	126	10	-
Sicoob Ações FI	(a)	-	-	-	-	-	137
Sicoob Multi-market investment fund	(a)	-	-	-	-	-	5
Total		2,062,036	43	25,203	2,503,697	46	21,887

The amounts above are included in the balances before eliminations.

(a) Funds in which Sicoob no longer retains substantial risks and rewards.

18.4. Remuneration of the key management personnel

Key management personnel include the directors and officers. The maximum aggregate compensation payable to the Board of Directors and Executive Board is established at General Shareholders' Meetings, which are held annually. The compensation paid or payable to officers and directors for their services is shown below:

Balances	6/30/2021	6/30/2020
Fees	224,958	202,515
Social charges	49,879	44,210
Total	274,837	246,725

18.5. Transactions with Management

Balances	Note	6/30/2021	12/31/2020
Lending operations	(a)	1,858,683	389,658
Deposits	(b)	3,490,122	2,299,040
Investments in LCA	(c)	275,140	159,063
Investments in LCI	(c)	86,693	31,121
Capital units held at credit unions	(d)	558,862	401,818
Total		6,269,500	3,280,700

(a) The provisions for loan losses amounted to R\$ 30,444 at June 30, 2021 (R\$ 4,609 at December 31, 2020), at rates from 0.08% to 19.90% and maturing from 1 to 480 months.

(b) Include demand deposits, savings account deposits, and time deposits (RCDs). Time deposits are linked to DI floating rates and have no minimum investment period.

(c) Transactions with preponderantly floating rates linked to the DI with minimum investment period of 90 days, after which the amount can be redeemed.

(d) Rates and terms not applicable.

Note 19 - Other information

19.1. Management of third-party funds

Third-party funds managed by Sicoob DTVM at June 30, 2021 were as follows:

Management of third-party funds	6/30/2021	12/31/2020
Portfolio of marketable securities	39,451,215	29,581,651
Investment funds	8,436,306	7,369,057
Total	47,887,521	36,950,708

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at June 30, 2021

All amounts in thousands of reais, unless otherwise stated

The combined amount of the portfolio of securities managed by Sicoob DTVM comprises federal government and private securities, and totaled R\$ 37,279,170 at June 30, 2021 (R\$ 27,606,856 at December 31, 2020).

Total funds managed relating to combined investment funds amounted to R\$ 4,685,253 at June 30, 2021 (R\$ 4,173,990 at December 31, 2020).

The financial statements of the combined investment funds are audited annually by other auditors, for compliance with CVM's specific rules to which they must abide.

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

As established by CMN Resolution 3,263/2005, Banco Sicoob 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.

19.3. Insurance (unaudited)

The System's assets are insured against risks at amounts deemed sufficient by Management to cover potential losses, taking into consideration the nature of its activities.

19.4. Employee benefits - Private pension plan

The credit unions that comprise Sicoob are sponsors of the Sicoob Private Pension Foundation (Sicoob Previ). At June 30, 2021, the contribution to Sicoob Previ totaled R\$ 7,872 (R\$ 8,205 at June 30, 2020).

19.5. Apportionment of Sicoob Confederation expenses

The expenses incurred by Sicoob Confederation are apportioned among Sicoob's credit unions, in accordance with policy established in 2017. The following expenses are eligible for apportionment:

- (a) **Technology:** expenses with depreciation and amortization, personnel, data processing, outsourced personnel, communication, technical services, security and others; and
- (b) **Other areas:** expenses with depreciation and amortization, personnel, administrative expenses, rentals and condominium fees, communication, technical services, and others.

Expenses apportioned between the System's members totaled R\$ 176,036 in the period (R\$ 161,917 at June 30, 2020), as shown in Note 17.2.

19.6. Profit sharing

Sicoob offers profit sharing to its employees, which is calculated in accordance with the Collective Labor Agreement. Up to June 30, 2021, profit sharing totaling R\$ 87,063 (R\$ 63,587 at June 30, 2020) had been accrued.

Note 20 - Operational limits - Basel Accord

In accordance with CMN Resolutions 4,192 and 4,193, both of 2013, financial institutions authorized to operate by BACEN must calculate and maintain reference equity (PR) consistent with the risks of its activities. Accordingly, each entity that comprises the System must comply with the provisions of these Resolutions.

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Note 21 - Sicoob's centralized risk and capital management

21.1. Risk management

The risk management framework of Sicoob, which is performed on a centralized basis at Sicoob Cooperative Center (CCS), seeks to identify, measure, evaluate, monitor, report, manage, control and mitigate the risks inherent in its activities, based on established policies, strategies, processes and limits.

The institutional policy for the integrated risk and capital management, as well as the related guidelines are approved by the Board of Directors of CCS.

The integrated risk management covers, at least, the credit, market, interest rate variation, liquidity, operational, socio-environmental, and business continuity risks and ensures, on an ongoing and integrated basis, that the risks are managed in accordance with the levels defined in the Risk Appetite Statement (RAS).

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

This centralized risk and capital management framework is consistent with the nature of the operations and the complexity of the products and services offered, as well as proportional to the extent of the Sicoob's entities exposure to risks and does not relieve the credit unions of their responsibilities.

21.1.1 Operational risk

The operational risk management guidelines are recorded in the Institutional Policy for Operational Risk Management, approved by the Executive Board and the Board of Directors, which defines consistent procedures, metrics and actions for all Sicoob's entities.

The operational risk management process consists of a qualitative and quantitative assessment of operational risks through stages involving 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 also require the implementation of new controls.

The results are submitted to the Executive Board and Board of Directors of CCS.

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

21.1.2 Credit risk

The credit risk management guidelines are outlined in the Institutional Policy for Credit Risk Management, approved by the Executive Board and the Board of Directors, which defines consistent procedures, metrics and actions for all Sicoob's entities.

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at June 30, 2021

All amounts in thousands of reais, unless otherwise stated

The CCS is responsible for managing Sicoob's credit risk, by standardizing processes and methodologies intended to analyze the risk posed by counterparties and transactions, and monitoring the assets exposed to credit risk.

In order to mitigate such risk, the CCS makes use of risk analysis and rating models based on quantitative and qualitative data that support the risk calculation process and the establishment of credit limits for borrowers, with a view to maintaining the high quality of the portfolio. Periodic tests are performed on these models, ensuring their consistency with the economic and financial condition of the borrowers. The portfolio exposure to default, and the respective ratings assigned to the operations are also monitored, in accordance with CMN Resolution 2,682/1999.

The credit risk management framework requires the adoption of the following procedures:

- a) definition of policies and strategies, including risk limits;
- b) validation of systems, models and internal procedures;
- c) estimation (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) responsibility for calculating the level of the provision for expected credit losses;
- k) creation of 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 aspects;
- l) application of stress tests intended to identify and assess the Institution's potential vulnerabilities;
- m) establishment of credit limits for each counterparty and overall limits by portfolio or credit line;
- n) specific risk assessment for new products and services.

Internal credit risk management standards include an organizational and regulatory structure, 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.

21.1.3 Market and interest rate risks

The guidelines for management of market and interest rate risks are recorded in the Institutional Policy for Credit Risk Management, approved by the Executive Board and the Board of Directors, which defines consistent procedures, metrics and actions for all Sicoob's entities.

Sicoob'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 the extent of the Sicoob's entities exposure to risks.

Sicoob's market and interest rate risks are managed by a specialized department, which ensures that risks are managed in accordance with the levels defined in the Risk Appetite Statement (RAS) and the guidelines provided for in the institutional policies and manuals.

The system adopted by Sicoob for measuring, monitoring and controlling market and interest rate risks is based on the use of widely known tools, which rely on the best risk management practices, and cover all the positions held by the Institution.

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For the market risk portions in the trading portfolio RWAjur1, RWAjur2, RWAjur3, RWAjur4, RWAcam, RWacom, and RWAacs, the methodologies used are based on regulations issued by 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, such as the economic value, income from financial intermediation, and value at risk approaches.

- a) Economic Value of Equity (EVE) approach: this methodology consists of assessing the effect of changes in interest rates on the present value of the cash flows of instruments included in the banking portfolio;
- b) Non-interest Income (NII) approach: this methodology consists of assessing the effect of changes in interest rates on the result of financial intermediation included in the banking portfolio;
- c) Value-at-Risk (VaR) approach: estimates the maximum loss over a specific time horizon, under normal market conditions, and at a given confidence interval.

The monitoring of market and interest rate variation risks is carried out by means of periodical reports prepared by the specialized department and submitted to the governance bodies, committees, and senior management, which include, based on each Sicoob entity's profile, at least:

- a) the value at risk and the use of the banking portfolio's limit, under the economic value, financial intermediation result, and value at risk approaches;
- b) the value at risk and the use of the trading portfolio's limit, under the standardized approaches provided by the Brazilian Central Bank;
- c) an analysis of mismatches between asset and liability flows, segregated by maturity and risk factors;
- d) a sensitivity analysis to assess the impact on the market value of the portfolio's cash flows when subject to a parallel increase of one (1) basis point in the yield curve;
- e) result of the embedded gains and losses (EGL);
- f) stress tests;
- g) test of adherence to the risk measurement methodologies; and
- h) a contingency plan.

In addition, stress tests are performed on the banking and trading portfolios to assess the risk sensitivity to stress scenarios.

The mismatch between current assets and current liabilities, in the combined balance sheet, totaling R\$ 48.4 billion at June 30, 2021, does not pose any risk to the System in view of the following: **i)** 34.32% of non-current assets consist of highly liquid federal government securities; **ii)** 55.47% of the deposits is obtained through Credit Union Deposit Receipts (RDCs) from members of the credit unions; and **iii)** tests conducted periodically show the stability/renewal of short-term liabilities.

21.1.4 Liquidity risk

The liquidity risk management guidelines are recorded in the Institutional Policy for Financial Centralization Management and Institutional Policy for Liquidity Risk Management, approved by the Executive Board and the Board of Directors, which define consistent procedures, metrics and actions for all Sicoob's entities.

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

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Sicoob's liquidity risk is managed by a specialized department, which ensures that the entities' risk is managed in accordance with the levels defined in the Risk Appetite Statement (RAS) and with the guidelines provided for in the institutional policies and manuals.

The liquidity risk management of Sicoob's entities complies with the aspects and standards set out by the regulatory authorities and are constantly improved and aligned with good management practices.

The following procedures are used to manage liquidity risk:

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

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

21.1.5 Social and environmental risk

The guidelines for social and environmental risk management are set out in the Institutional Policy for Socio-Environmental Responsibility (PRSA), approved by the Executive Board and the Board of Directors, which defines consistent procedures, metrics and actions for all Sicoob's entities.

For the eligibility of operations, the process of socio-environmental risk management includes the evaluation of potentially negative socio-environmental 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; and
- 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.

Sicoob 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.

21.2. Business continuity management

The business continuity management guidelines are recorded in the Institutional Policy for Business Continuity Management, approved by the Executive Board and the Board of Directors, which defines consistent procedures, metrics and actions for all Sicoob's entities.

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;

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- c) definition of the strategy of recovery in the event of incidents;
- d) planned continuity of operations (assets, including people, processes and systems), involving procedures for the periods before, during and after the stoppage; and
- e) transition between the contingency and the resumption of the normal course of business (end of the event).

The Impact Analysis (AIN) is performed by CCS with the aim to identify the system's critical processes and define strategies for their continuity, in order to protect the organization from prolonged interruptions that could threaten business continuity. This analysis is based on financial, legal, and reputation impacts.

Business Continuity Plans are prepared annually and include the key procedures to be performed to ensure the maintenance of activities in the event of contingencies. These Plans are classified into: Operational Continuity Plan (OCP), and Disaster Recovery Plan (DRP).

The effectiveness of the Business Continuity Plans is tested annually.

21.3. Capital management

Capital management Sicoob's entities is an ongoing forward-looking process that aims to assess the institutions' capital requirements, considering Sicoob's strategic goals for a minimum time horizon of three years.

The guidelines for ongoing monitoring and control of capital are included in Sicoob's Institutional Policy for Capital Management, to which all the Sicoob members have formally adhered.

The capital management process relies on a set of methodologies that enable the Sicoob Cooperative Center to identify, assess, and control major exposures, so as to maintain a capital level compatible with the risks incurred by Sicoob's entities. A specific capital plan in place provides for capital targets and forecasts that consider the strategic goals, the main sources of capital and the 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.

Note 22 - Supplementary information

22.1. Change in the corporate name of Banco Cooperativo do Brasil S/A - Bancoob and subsidiaries

As a result of the restructuring process involving the third-level entities, and in view of the strategic repositioning and strengthening of the Sicoob brand, the corporate name of Banco Cooperativo do Brasil - S/A - Bancoob was changed to Banco Cooperativo Sicoob S/A - Banco Sicoob.

For these same reasons, Bancoob DTVM, Bancoob PAR, and Cabal Brasil Ltda. also had their names changes to Sicoob DTVM, Sicoob PAR, and Sicoob Pagamentos, respectively.

22.2. Effects of the COVID-19 pandemic

In 2020, the global economy was adversely affected by COVID-19, which was declared to be a pandemic by the World Health Organization (WHO).

Sicoob implemented measures to manage operations and provide support for the employees, associates and communities, and monitors, on a permanent basis, potential impacts of the pandemic that may affect its operations and results. In addition to the actions of regulatory and governmental entities to promote the safety of its people and organizations. Sicoob's Crisis Committee and Crisis Group

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was mandated to monitor the effects of the pandemic, assessing its effects and impacts on operations, and providing the System's institutions with strategic, operational, and business guidance, among others. The following are highlighted:

- Creation of the Sicoob Crisis Committee to handle this matter effectively, 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 assistance to the credit union members.
- Holding of virtual General Shareholders' Meeting and support for the credit unions to hold virtual Extraordinary Shareholders' Meetings;
- Search for tools to support the work from home needs;
- Suspension of all air travels.
- Replacement of in-person meetings with video conferences.
- Enhanced cleaning of the environments and areas.
- Encouragement of the use of digital tools and channels to access services on the Internet or cell phones.

* * *

Sicoob's Management Bodies

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 Araujo
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
Fernando Vicente Netto - Executive Officer
Francisco Silvio Reposse Junior - Executive Officer
Marcos Vinicius Viana Borges - Executive Officer
Rubens Rodrigues Filho - Executive Officer

Accountant

Primo João Cracco
CRC-SP 149.703/O-2-DF