

Contents

Company Information

Capital Breakdown	1
-------------------	---

Individual Interim Financial Statements

Balance Sheet - Assets	2
------------------------	---

Balance Sheet - Liabilities	3
-----------------------------	---

Income Statement	4
------------------	---

Statement of Comprehensive Income	6
-----------------------------------	---

Statement of Cash Flows (Indirect Method)	7
---	---

Statement of Changes in Equity

SCE - 01/01/2021 to 09/30/2021	8
--------------------------------	---

SCE - 01/01/2020 to 09/30/2020	9
--------------------------------	---

Statement of Value Added	10
--------------------------	----

Comments on Performance	11
-------------------------	----

Notes	13
-------	----

Opinions and Representations

Special Review Report - Unqualified	76
-------------------------------------	----

Officers' Representation on the Financial Statements	77
--	----

Officers' Representation on the Independent Auditor's Report	78
--	----

Company Information / Capital Breakdown

Number of shares (thousand)	Current quarter 09/30/2021
Paid-in Capital	
Common shares	86,371
Preferred shares	0
Total	86,371
Treasury shares	
Common shares	0
Preferred shares	0
Total	0

Individual Interim Financial Statements / Balance sheet - Assets**(In thousands of reais)**

Account Code	Account Description	Current Quarter 09/30/2021	Prior Year 12/31/2020
1	Total Assets	60,535,639	61,817,640
1.01	Cash and cash equivalents	5,756,274	4,536,208
1.01.01	Cash	159,331	155,045
1.01.02	Liquidity Applications	5,596,943	4,381,163
1.01.02.01	Open market investments	5,031,111	3,191,148
1.01.02.02	Interbank deposit investments	565,832	1,190,015
1.02	Financial Assets	50,852,939	53,083,287
1.02.01	Compulsory deposit with Central Bank of Brazil	480,929	846,411
1.02.03	Financial assets measured at fair value through Other comprehensive income	34,507,191	38,548,014
1.02.03.01	Securities	34,507,191	38,548,014
1.02.04	Financial assets at amortized cost	15,864,819	13,688,862
1.02.04.03	Securities	312,247	287,793
1.02.04.04	Loans	14,471,052	12,343,059
1.02.04.05	(Allowance for loan losses)	-864,233	-760,987
1.02.04.08	Other Financial Assets	1,945,753	1,818,997
1.03	Taxes	3,636,474	3,920,755
1.03.03	Others	3,636,474	3,920,755
1.03.03.01	Tax Credit	3,247,514	3,381,973
1.03.03.02	Taxes and contributions to be offset	388,960	538,782
1.04	Other Assets	35,768	42,574
1.04.01	Noncurrent assets for sale	10,891	9,506
1.04.03	Others	24,877	33,068
1.05	investments	1,261	1,412
1.05.05	Others investments	1,261	1,412
1.06	Property and equipment	251,436	232,683
1.06.01	Properties in use	619,337	606,164
1.06.03	(Accumulated depreciation)	-367,901	-373,481
1.07	Intangible	1,487	721
1.07.01	Intangibles	1,487	721

Individual Interim Financial Statements / Balance Sheet - Liabilities**(In thousands of reais)**

Account Code	Account Description	Current Quarter 09/30/2021	Prior Year 12/31/2020
2	Total Liabilities	60,535,639	61,817,640
2.02	Financial liabilities at amortized cost	43,678,155	45,638,920
2.02.01	Deposits	14,706,248	14,921,683
2.02.01.01	Time Deposits	8,009,057	8,021,636
2.02.01.02	Demand Deposits	2,987,525	853,237
2.02.01.03	Savings Deposits	1,021,314	4,050,698
2.02.01.04	Interbank Deposits	2,688,352	1,996,112
2.02.02	Open market funding	2,310,582	8,728,417
2.02.02.01	Open market funding	2,310,582	8,728,417
2.02.03	Financial market resources	67,186	4,402
2.02.04	Other funding	26,594,139	21,984,418
2.02.04.01	Funds from Acceptance and Issue of Securities	13,949	1,178
2.02.04.02	Borrowings	366,619	904,882
2.02.04.03	Domestic onlending - Official Institutions	1,446,392	1,213,953
2.02.04.04	Foreign onlending	704,312	711,279
2.02.04.05	Obligations for financial and development funds	19,992,219	15,185,623
2.02.04.06	Debt instruments eligible to capital	1,295,889	1,295,889
2.02.04.07	Subordinated Debt eligible to capital	2,773,689	2,660,982
2.02.04.08	Other financial instruments	1,070	10,632
2.03	Provisions	7,579,026	7,724,094
2.03.01	Provision for financial guarantees provided	3,196,717	2,974,937
2.03.02	Actuarial liabilities	3,097,106	3,655,380
2.03.03	Provision for Contingencies	757,535	693,617
2.03.04	Accrued Payments	527,668	400,160
2.04	Tax liabilities	432,760	672,405
2.05	Others Liabilities	1,718,044	1,610,246
2.07	Equity	7,127,654	6,171,975
2.07.01	Paid-in capital	6,293,460	5,569,988
2.07.03	Revaluation Reserves	13,293	13,671
2.07.04	Income reserves	1,702,725	1,668,959
2.07.04.01	Legal reserve	481,008	445,486
2.07.04.02	Statutory reserve	1,006,548	1,223,473
2.07.04.05	Retained profits reserve	215,169	0
2.07.05	Retained earnings/accumulated losses	145,861	0
2.07.08	Other Comprehensive Income	-1,027,685	-1,080,643

Individual Interim Financial Statements / Income Statement**(In thousands of reais)**

Account Code	Account Description	Current Quarter 07/01/2021 to 09/30/2021	YTD – current year 01/01/2021 to 09/30/2021	Same quarter prior year 07/01/2020 to 09/30/2020	YTD - prior Year 01/01/2020 to 09/30/2020
3.01	Income from financial intermediation	1,383,322	3,411,388	1,028,201	3,076,271
3.01.01	Loans	689,754	1,943,994	602,391	1,740,362
3.01.02	Gain (loss) on securities transactions	634,168	1,358,193	185,491	746,978
3.01.03	Gain (loss) on derivative financial instruments	-916	18,913	7,380	7,380
3.01.04	Foreign exchange gains (losses)	56,175	75,928	228,595	567,102
3.01.05	Compulsory investment gains (losses)	4,141	14,360	4,344	14,449
3.02	Expenses from financial intermediation	-555,783	-1,170,312	-372,964	-1,553,411
3.02.01	Open market funding transactions	-174,775	-434,887	-87,087	-324,878
3.02.02	Borrowings and Onlending	-381,008	-735,425	-285,877	-1,228,533
3.03	Gross profit from financial intermediation	827,539	2,241,076	655,237	1,522,860
3.04	Other operating income/expenses	-302,161	-415,691	-55,088	-417,132
3.04.01	Expenses with allowance for loan losses associated with credit risk	-82,427	-209,182	-17,842	-212,166
3.04.02	Service revenues	537,271	1,990,058	700,281	2,059,230
3.04.03	Personnel expenses	-583,118	-1,672,505	-595,934	-1,645,681
3.04.04	Other Administrative Expenses	-396,207	-1,124,390	-325,409	-985,294
3.04.05	Tax Expenses	-101,091	-303,694	-90,113	-252,232
3.04.06	Other operating income	621,305	1,822,290	622,352	1,633,303
3.04.07	Other operating expenses	-297,894	-918,268	-348,423	-1,014,292
3.05	Income before income taxes	525,378	1,825,385	600,149	1,105,728
3.06	Income and social contribution taxes	-322,068	-868,387	-276,124	-428,505
3.06.01	Current	-339,833	-1,031,983	-269,396	-584,905
3.06.02	Deferred	17,765	163,596	-6,728	156,400
3.07	Income (loss) from continuing operations	203,310	956,998	324,025	677,223
3.09	Income (loss) before statutory contributions and profit sharing	203,310	956,998	324,025	677,223
3.10	Statutory contributions/profit sharing	-11,843	-55,108	-18,686	-39,347
3.10.01	Profit sharing	-11,843	-55,108	-18,686	-39,347
3.11	Income/loss net for the period	191,467	901,890	305,339	637,876
3.99	Earnings per share (reais / share)	2.217	10.442	3.535	7.385

Individual Interim Financial Statements / Income Statement
(In thousands of reais)

Account Code	Account Description	Current Quarter 07/01/2021 to 09/30/2021	YTD – current year 01/01/2021 to 09/30/2021	Same quarter prior year 07/01/2020 to 09/30/2020	YTD - prior Year 01/01/2020 à 09/30/2020
3.99.01	Basic earnings per share	2.217	10.442	3.535	7.385
3.99.01.01	ON	2.217	10.442	3.535	7.385

Individual Interim Financial Statements / Statement of Comprehensive Income**(In thousands of reais)**

Account Code	Account Description	Current Quarter 07/01/2021 to 09/30/2021	YTD – current year 01/01/2021 to 09/30/2021	Same quarter prior year 07/01/2020 to 09/30/2020	YTD - prior Year 01/01/2020 to 09/30/2020
4.01	Net income or loss for the period	191,467	901,890	305,339	637,876
4.02	Other comprehensive income - own	-3,776	52,580	15,518	146,804
4.02.01	Amounts that will be reclassified to income or loss	-155,611	-335,284	-40,086	-163,385
4.02.01.01	Equity adjustment to available-for-sale securities	-280,124	-606,137	-70,912	-299,827
4.02.01.02	Tax effect on Equity adjustment to available-for-sale securities	124,525	271,231	30,839	136,483
4.02.01.03	Realization of Revaluation Reserve	-25	-446	-24	-74
4.02.01.04	Tax effect on realization of revaluation reserve	13	68	11	33
4.02.02	Amounts that will not be reclassified to income or loss	151,835	387,864	55,604	310,189
4.02.02.01	Actuarial gains and losses	276,063	705,207	101,098	563,980
4.02.02.02	Tax Effect on Actuarial Gains or Losses	-124,228	-317,343	-45,494	-253,791
4.04	Comprehensive income for the period	187,691	954,470	320,857	784,680

Individual Interim Financial Statements / Statement of Cash Flows - Indirect Method**(In thousands of reais)**

Account Code	Account Description	YTD - current	YTD - prior
		year 01/01/2021 to 09/30/2021	year 01/01/2020 to 09/30/2020
6.01	Net cash - operating activities	-1,593,478	-1,940,137
6.01.01	Cash from operations	3,149,074	2,272,829
6.01.01.01	Net income (loss) before income taxes	1,825,385	1,105,728
6.01.01.02	Adjustments to income or loss	1,323,689	1,167,101
6.01.02	Changes in assets and liabilities	-4,742,552	-4,212,966
6.01.02.01	Interbank Investments	624,183	-1,035,332
6.01.02.02	Interbranch and interbank accounts	29,449	-303,677
6.01.02.03	Loans	-2,343,300	-552,634
6.01.02.04	Other Credits	819,441	393,001
6.01.02.05	Allowances for loan losses associated with credit risk	103,246	105,151
6.01.02.06	Other Assets	-3,738	-89,855
6.01.02.07	Deferred Tax Assets	298,054	165,351
6.01.02.08	Other assets	8,191	477
6.01.02.09	Deposits	-223,965	4,484,708
6.01.02.10	Open market funding	-6,417,835	585,363
6.01.02.11	Funds from Acceptance and Issue of Securities	12,771	-40,103
6.01.02.12	Borrowings and Onlending	-312,790	301,378
6.01.02.13	Financial instruments Derivatives	-9,562	-7,380
6.01.02.14	Other liabilities	-966,032	-1,046,827
6.01.02.15	Provisions	-272,575	-350,697
6.01.02.16	Income Received in Advance	-7,500	196,102
6.01.02.17	Other financial instruments	4,919,302	-6,640,556
6.01.02.18	Deferred tax liabilities	-239,646	116,074
6.01.02.19	Income tax and social contribution paid	-760,246	-490,919
6.01.02.20	Prior-year adjustments	0	-2,591
6.02	Net cash from investing activities	3,650,272	1,313,727
6.02.01	Investments	0	-7
6.02.02	Investments in property in equipment in use	-32,165	-9,864
6.02.03	Investments in intangible assets	-766	-158
6.02.04	Investments in assets not for own use	-1,360	-719
6.02.05	Disposal in investments	150	189
6.02.06	Disposal of property and equipment in use	2,948	1,217
6.02.09	Securities available for sale	3,681,465	1,323,069
6.03	Net cash from financing activities	-212,545	-679,662
6.03.01	Dividends, bonuses and Interest on Equity (IOE) paid	-242,045	-95,582
6.03.02	Amortization of Debt instruments eligible to Principal Capital	0	-250,000
6.03.03	Subordinated Debts eligible to Capital	112,707	-90,840
6.03.04	Payment of interest on debt Instruments Eligible to Principal Capital	-83,207	-243,240
6.05	Increase (decrease) in cash and cash equivalents	1,844,249	-1,306,072
6.05.01	Cash and cash equivalents at beginning of period	3,346,193	3,444,451
6.05.02	Cash and cash equivalents at end of period	5,190,442	2,138,379

Individual Interim Financial Statements / Statement of Changes in Equity / SCE - 01/01/2021 to 09/30/2021**(In thousands of reais)**

Account Code	Account Description	Capital	Capital reserves, options granted and treasury shares	Income reserves	Equity adjustment	Retained earnings/accumulated losses	Other Comprehensive	Total Equity
5.01	Opening balances	5,569,988	0	1,682,630	0	0	-1,080,643	6,171,975
5.03	Adjusted opening balances	5,569,988	0	1,682,630	0	0	-1,080,643	6,171,975
5.04	Capital transactions with shareholders	723,472	0	-723,472	0	0	0	0
5.04.01	Capital increase	723,472	0	-723,472	0	0	0	0
5.05	Total comprehensive income	0	0	0	0	901,890	52,958	954,848
5.05.01	Net income for the period	0	0	0	0	901,890	0	901,890
5.05.02	Other comprehensive income	0	0	0	0	0	52,958	52,958
5.05.02.01	Adjustments to financial instruments	0	0	0	0	0	99,070	99,070
5.05.02.02	Taxes on adjustments to financial instruments	0	0	0	0	0	-46,112	-46,112
5.06	Internal changes in equity	0	0	756,860	0	-756,029	0	831
5.06.01	Set-up of reserves	0	0	757,238	0	-757,238	0	0
5.06.02	Realization of Revaluation Reserve	0	0	-446	0	446	0	0
5.06.03	Taxes on realization of revaluation reserve	0	0	68	0	763	0	831
5.07	Closing balances	6,293,460	0	1,716,018	0	145,861	-1,027,685	7,127,654

Individual Interim Financial Statements / Statement of Changes in Equity / SCE - 01/01/2020 to 09/30/2020**(In thousands of reais)**

Account Code	Account Description	Capital	Capital reserves, options granted and treasury shares	Income reserves	Equity adjustment	Retained earnings/accumulated losses	Other Comprehensive	Total Equity
5.01	Opening balances	3,813,000	0	2,665,240	0	0	-1,050,835	5,427,405
5.02	Prior-year adjustments	0	0	0	0	-2,591	0	-2,591
5.03	Adjusted opening balances	3,813,000	0	2,665,240	0	-2,591	-1,050,835	5,424,814
5.04	Capital transactions with shareholders	1,756,988	0	-1,756,988	0	0	0	0
5.04.01	Capital increase	1,756,988	0	-1,756,988	0	0	0	0
5.05	Total comprehensive income	0	0	0	0	637,876	146,845	784,721
5.05.01	Net income for the period	0	0	0	0	637,876	0	637,876
5.05.02	Other comprehensive income	0	0	0	0	0	146,845	146,845
5.05.02.01	Adjustments to financial instruments	0	0	0	0	0	264,153	264,153
5.05.02.02	Taxes on adjustments to financial instruments	0	0	0	0	0	-117,308	-117,308
5.06	Internal changes in equity	0	0	402,611	0	-402,680	0	-69
5.06.01	Set-up of reserves	0	0	402,652	0	-402,721	0	-69
5.06.02	Realization of Revaluation Reserves	0	0	-74	0	74	0	0
5.06.03	Taxes on realization of revaluation reserve	0	0	33	0	-33	0	0
5.07	Closing balances	5,569,988	0	1,310,863	0	232,605	-903,990	6,209,466

Individual Interim Financial Statements / Statement of Value Added**(In thousands of reais)**

Account Code	Account Description	YTD - current year 01/01/2021 to 09/30/2021	YTD Anterior 01/01/2020 to 09/30/2020
7.01	Revenues	6,096,286	5,542,346
7.01.01	Financial intermediation	3,411,388	3,076,271
7.01.02	Rendering of services	1,990,058	2,059,230
7.01.03	(Reversal of) allowance for loan losses	-209,182	-212,166
7.01.04	Other	904,022	619,011
7.02	Expenses from financial intermediation	-1,170,312	-1,553,411
7.03	Inputs acquired from third parties	-1,082,848	-946,251
7.03.01	Materials, energy and other expenses	-73,659	-67,293
7.03.02	Third-party services	-639,888	-554,578
7.03.04	Others	-369,301	-324,380
7.04	Gross value added	3,843,126	3,042,684
7.05	Retentions	-10,464	-9,275
7.05.01	Depreciation, amortization and depletion	-10,464	-9,275
7.06	Net value added produced	3,832,662	3,033,409
7.08	Total value added to be distributed	3,832,662	3,033,409
7.09	Distribution of value added	3,832,662	3,033,409
7.09.01	Personnel	1,506,249	1,470,538
7.09.01.01	Direct compensation	976,812	996,551
7.09.01.02	Benefits	457,248	404,225
7.09.01.03	Unemployment Compensation Fund (FGTS)	72,189	69,762
7.09.02	Taxes, charges and contributions	1,393,445	895,227
7.09.02.01	Federais	1,358,514	861,701
7.09.02.02	State	36	52
7.09.02.03	Local	34,895	33,474
7.09.03	Debt remuneration	31,078	29,768
7.09.03.01	Rents	31,078	29,768
7.09.04	Equity remuneration	901,890	637,876
7.09.04.03	Retained earnings (accumulated losses) for the period	901,890	637,876

Comments on Performance

OPERATIONAL PERFORMANCE

In the third quarter of 2021, BNB entered into R\$ 9.1 billion in 1,197,700 loan and financing transactions. Of these funds, R\$ 5.1 billion (167,224 transactions) came from Fundo Constitucional de Financiamento do Nordeste (FNE).

Regarding the National Family Farming Strengthening Program (Pronaf), BNB entered into 156,363 financing transactions, involving resources in the region of R\$ 1.1 billion in the period. Under the Pronaf program, BNB operates Agroamigo, a rural production-oriented microloan program. In the third quarter of 2021, 151,851 transactions with family farmers were entered into in this modality, totaling R\$ 933.5 million.

Through its urban production-oriented microloan program (Crediamigo), BNB disbursed R\$ 3.0 billion, with 1,015,169 transactions entered into in support of microentrepreneurs within the Bank's jurisdiction.

Under the urban and rural production-oriented microloan programs (Crediamigo and Agroamigo, respectively), the total amount of R\$ 4.0 billion was contracted out in the third quarter of 2021, with 1,167,020 transactions entered into to provide support to microentrepreneurs in the urban and rural areas within the Bank's jurisdiction.

Regarding the support to micro and small enterprises, BNB entered into 6,995 transactions over the third quarter of 2021, in the amount of R\$ 979.6 million.

As for BNB's financial result, the Bank recorded net income in the amount of R\$ 191.5 million in the third quarter of 2021. This figure was lower than the one in the same period of the prior year, mainly due to the decrease in the FNE management fee, the increase in allowance for loan losses and the increase in Social contribution tax on net profit (CSLL), from 20% to 25% as of July 2021. The decrease in net income is believed to reflect the effects of the COVID-19 scenario, whose impacts are more evident in Service Micro and Small Enterprises, which have not yet shown signs of recovery.

Breakdown of non-recurring income, which is determined considering the deduction of extraordinary (non-recurring) items occurred in the period, is as follows:

Amounts in millions of reais

	3Q2020	3Q2021	Var. R\$	Var. %
Recurring Net Income	375.6	191.5	(184.1)	-49.0%
Nonrecurring income	(140.9)	-	140.9	-
Impairment of Securities	(82.5)	-	82.5	-
Voluntary Dismissal Incentive Program (PID)	(53.0)	-	53.0	-
Prudential Allowance	(5.4)	-	5.4	-
IR, CSLL and other effects on non-recurring profit or loss	70.6	-	(70.6)	-
Net Income	305.3	191.5	(113.8)	-37.3%

Comments on Performance

“Non-recurring” items are those that contribute to the institution’s profit or loss, and result from events that are not foreseeable and whose triggering event is individual and specific to a given scenario. They are amounts that are not directly related to the figures resulting from the entity’s operations and, therefore, tend not to repeat in the future.

NOTES TO INDIVIDUAL INTERIM FINANCIAL STATEMENTS OF BANCO DO NORDESTE DO BRASIL S.A.

Quarters and Periods ended September 30, 2021 and 2020 and year ended 2020
Amounts expressed in thousands of reais, unless otherwise stated




The Individual Interim Financial Statements of Banco do Nordeste do Brasil S.A. as of 09.30.2021, accompanying Explanatory Notes, prepared in accordance with Resolution No. 4.818, of 05.29.2020, and Resolution No.02 of 08.12.2020, and in accordance with the accounting practices adopted in Brazil, applicable to Financial Institutions authorized to operate by the Central Bank of Brazil.

ASSETS		LIABILITIES	
	09.30.2021	12.31.2020	
CURRENT ASSETS	26,838,903	18,509,420	CURRENT LIABILITIES
CASH	(Note 5) 159,331	155,045	DEPOSITS AND OTHER FINANCIAL INSTRUMENTS
FINANCIAL INSTRUMENTS	26,373,612	17,912,062	DEPOSITOS
INTERBANK INVESTMENTS	5,596,943	4,381,163	Demand deposits
Open market investments	5,031,111	3,191,148	Savings Deposits
Interbank deposit investments	565,832	1,190,015	Interbank Deposits
SECURITIES	10,569,971	4,479,457	Time Deposits
Own portfolio	10,562,549	84,545	OPEN MARKET FUNDING
Linked to repurchase agreements	7,422	4,387,653	FUNDS FROM ACCEPTANCE AND ISSUE OF SECURITIES
Linked to guarantees given	-	7,259	INTERBANK ACCOUNTS
INTERBANK ACCOUNTS	939,165	909,229	INTERBRANCH ACCOUNTS
Receipts and payments pending settlement	102,116	935	Third-party funds in transit
Deposits with Banco Central	(Note 8.a) 834,175	907,033	Internal transfers of funds
Correspondents	2,874	1,261	BORROWINGS
LOANS	8,800,224	7,250,904	DOMESTIC ONLENDING - OFFICIAL INSTITUTIONS
Public Sector	40,598	69,307	National Treasury
Private Sector	8,759,626	7,181,597	National Treasury National Bank for Economic and Social Development (BNDES)
OTHER CREDITS	467,309	891,309	Fund for Financing the Acquisition of Industrial Machinery and Equipment (FINAME)
Foreign exchange portfolio	(Note 10.a) 393,015	822,414	Other Institutions
Income receivable	(Note 10) 36,527	27,159	DERIVATIVE FINANCIAL INSTRUMENTS
Securities Trading	(Note 10) 17	16	FOREIGN ONLENDING
Notes and credits receivable	(Note 10) 37,750	41,720	OTHER FINANCIAL INSTRUMENTS
OTHER ASSETS	742,623	747,848	Securities Trading
Sundry	742,623	747,848	Financial and development funds
ALLOWANCES FOR LOAN LOSSES ASSOCIATED WITH CREDIT RISK	(472,431)	(348,109)	OTHER LIABILITIES
Allowance for loan losses	(383,612)	(253,364)	Collection of taxes and other contributions
Allowance for losses on other credits	(88,819)	(94,745)	Foreign exchange portfolio
OTHER VALUES AND ASSETS	35,768	42,574	Social and statutory
Other values and assets	12,635	10,855	Tax and Social Security
Provisions for devaluation	(447)	(472)	Sundry
Prepaid expenses	23,580	32,191	INCOME RECEIVED IN ADVANCE
NON-CURRENT ASSETS	39,696,736	43,308,220	PROVISIONS
FINANCIAL INSTRUMENTS	30,902,959	39,329,393	Provision for financial guarantees provided
SECURITIES	24,248,467	34,356,351	Actuarial liabilities
Own portfolio	(Note 7) 21,328,635	29,413,243	Provision for Contingencies
Linked to repurchase agreements	2,267,132	4,305,214	NONCURRENT LIABILITIES
Linked to guarantees given	605,089	590,470	DEPOSITS AND OTHER FINANCIAL INSTRUMENTS
Securities under Repurchase Agreements with Free Movement	48,611	47,424	DEPOSITOS
INTERBANK ACCOUNTS	82,639	79,163	Time Deposits
National Housing System (SFH)	(Note 8.a) 82,639	79,163	OPEN MARKET FUNDING
LOANS	5,670,828	5,092,155	DOMESTIC ONLENDING - OFFICIAL INSTITUTIONS
Public Sector	409,038	429,289	National Treasury
Private Sector	5,261,792	4,662,866	National Bank for Economic and Social Development (BNDES)
OTHER CREDITS	25	1,724	Fund for Financing the Acquisition of Industrial Machinery and Equipment (FINAME)
Notes and credits receivable	(Note 10) 25	1,724	Other Institutions
OTHERASSETS	583,881	574,916	FOREIGN ON LENDING
Sundry	(Note 11.b) 610,450	602,009	OTHER FINANCIAL INSTRUMENTS
Allowance FOR LOAN LOSSES ASSOCIATED WITH CREDIT RISK	(391,802)	(412,878)	Financial and development funds
Allowance for loan losses	(391,802)	(412,878)	Subordinated Debt Eligible to Capital
DEFERRED TAX ASSETS	3,247,514	3,381,973	Debt instruments eligible to capital
INVESTMENTS	1,261	1,412	INCOME RECEIVED IN ADVANCE
Sundry	(Note 13.a) 6,441	6,591	PROVISIONS
(Provision for losses)	(5,180)	(5,179)	Provision for financial guarantees provided
PROPERTY AND EQUIPMENT	619,337	606,164	Actuarial liabilities
Property and equipment in use	(Note 13.b) 293,680	283,807	Provision for Contingencies
Other property and equipment in use	325,657	322,357	DEFERRED TAX LIABILITIES
INTANGIBLE ASSETS	1,487	721	EQUITY
DEPRECIATION AND AMORTIZATION	(367,901)	(373,481)	CAPITAL
			REVALUATION RESERVES
			INCOME RESERVES
			OTHER COMPREHENSIVE INCOME
			RETAINED EARNINGS (ACCUMULATED LOSSES)
TOTAL ASSETS	60,535,639	61,817,640	TOTAL LIABILITIES
			60,535,639

NOTES TO INDIVIDUAL INTERIM FINANCIAL STATEMENTS OF BANCO DO NORDESTE DO BRASIL S.A.

Quarters and Periods ended September 30, 2021 and 2020 and year ended 2020




Amounts expressed in thousands of reais, unless otherwise stated

 BANCO DO NORDESTE DO BRASIL S. A. Individual Interim Financial Statements INCOME STATEMENT Quarters ended September 30, 2021 and September 30, 2020 (In thousands of reais)		 	
		01.01 to 09.30.2021	01.01 to 09.30.2020
INCOME FROM FINANCIAL INTERMEDIATION		3,411,388	3,076,271
Loans	(Note 9.a.2)	1,943,994	1,740,362
Gain (loss) on securities transactions	(Note 7.b)	1,358,193	746,978
Gain (loss) on derivative financial instruments	(Note 7.d)	18,913	7,380
Foreign exchange gains (losses)	(Note 10.b)	75,928	567,102
Compulsory investment gains (losses)	(Note 8.b)	14,360	14,449
EXPENSES FROM FINANCIAL INTERMEDIATION		(1,379,494)	(1,765,577)
Open market funding	(Note 14.d)	(434,887)	(324,878)
Borrowings and Onlending	(Note 15.e)	(735,425)	(1,228,533)
Allowance for Credit Risk	(Note 9.e)	(209,182)	(212,166)
GROSS INCOME FROM FINANCIAL INTERMEDIATION		2,031,894	1,310,694
OTHER OPERATING INCOME		3,794,779	3,660,888
Service revenues	(Note 21.a)	1,900,829	1,985,589
Income from Bank Fees	(Note 21.b)	89,229	73,641
FNE-Del credere	(Note 21.f)	1,683,529	1,410,828
Other operating income	(Note 21.g)	121,192	190,830
OTHER OPERATING EXPENSES		(4,016,266)	(3,894,754)
Personnel expense	(Note 21.c)	(1,672,505)	(1,645,681)
Other Administrative Expenses	(Note 21.d)	(1,124,390)	(985,294)
Tax Expenses	(Note 21.e)	(303,694)	(252,232)
Provision for financial guarantees provided	(Note 21.h)	(567,450)	(433,439)
Provision for Contingent Liabilities	(Note 21.i)	(117,891)	(170,094)
Other Operating Expenses	(Note 21.j)	(230,336)	(408,014)
OPERATING INCOME (EXPENSES)		1,810,407	1,076,828
NON-OPERATING INCOME (EXPENSES)		14,978	28,900
INCOME BEFORE INCOME TAXES AND PROFIT SHARING		1,825,385	1,105,728
INCOME TAX AND SOCIAL CONTRIBUTION		(868,387)	(428,505)
Provision for Income Tax		(547,730)	(324,891)
Provision for Social Contribution		(484,253)	(260,014)
Deferred Tax Assets		163,596	156,400
STATUTORY PROFIT SHARING		(55,108)	(39,347)
NET INCOME		901,890	637,876
Number of shares (in thousands)		86.371	86.371
Earnings per Share - Basic/Diluted - in R\$		10.44	7.39

NOTES TO INDIVIDUAL INTERIM FINANCIAL STATEMENTS OF BANCO DO NORDESTE DO BRASIL S.A.

Quarters and Periods ended September 30, 2021 and 2020 and year ended 2020




Amounts expressed in thousands of reais, unless otherwise stated

 BANCO DO NORDESTE DO BRASIL S.A  		
Individual Interim Financial Statements STATEMENT OF COMPREHENSIVE INCOME Quarters ended September 30, 2021 and September 30, 2020 (In thousands of reais)		
	01.01 to 09.30.2021	01.01 to 09.30.2020
NET INCOME	901,890	637,876
STATEMENT OF COMPREHENSIVE INCOME	52,580	146,804
Items that will be reclassified to the Income Statement	(335,284)	(163,385)
Equity adjustment to available-for-sale securities	(606,137)	(299,827)
Tax effect on Equity adjustment to available-for-sale securities	271,231	136,483
Realization of Revaluation Reserve	(446)	(74)
Tax effect on realization of revaluation reserve	68	33
Items that may not be reclassified to the Income Statement	387,864	310,189
Actuarial gains (losses)	705,207	563,980
Tax Effect on Actuarial Gains or Losses	(317,343)	(253,791)
COMPREHENSIVE INCOME	954,470	784,680

NOTES TO INDIVIDUAL INTERIM FINANCIAL STATEMENTS OF BANCO DO NORDESTE DO BRASIL S.A.

Quarters and Periods ended September 30, 2021 and 2020 and year ended 2020

Amounts expressed in thousands of reais, unless otherwise stated

	09.30.2021	09.30.2020
BANCO DO NORDESTE DO BRASIL S.A.		
Individual Interim Financial Statements		
STATEMENTS OF CASH FLOWS		
Quarters ended September 30, 2021 and September 30, 2020		
(In thousands of reais)		
  		
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before taxes and profit sharing	1,825,385	1,105,728
Adjustments to income before taxes and profit sharing		
Depreciation and amortization expenses	10,464	9,275
Provision for Impairment of Other Assets, net	(25)	66
Allowance for Credit Risk on Bank Loans, net	215,307	199,063
Allowance for Credit Risk on Other Credits of the Bank, net	(6,125)	13,103
Provision for financial guarantees provided, net (FNE risks)	567,090	432,807
Provision for financial guarantees provided, net (FDNE risks)	360	632
Provision for contingencies, net	42,545	62,792
Provision for other contingencies, net	75,219	106,242
Actuarial Liabilities (Post-employment Benefits)	313,678	265,798
Provision on Debt Instruments eligible to Principal...	63,267	51,363
Monetary restatement of judicial deposits	8,532	8,141
Provision for losses on credits linked to SFH, net	(78)	(76)
Restatement of Debt Instruments Eligible to Principal Capital	(639)	3,251
Provision for charges on issue of Financial Bills	23,248	21,174
Monetary restatement of Appeal Deposits	8,670	(8,358)
Monetary restatement of dividends and IOE	1,346	1,828
Revaluation reserve	830	-
Adjusted income	3,149,074	2,272,829
Interbank Investments	624,183	(1,035,332)
Interbank and interdepartmental accounts	29,449	(303,677)
Loans	(2,343,300)	(552,634)
Other Credits	819,441	393,001
Allowance for Loan Losses Associated with Credit Risk	103,246	105,151
Other assets	(3,738)	(89,855)
Deferred tax assets	298,054	165,351
Other assets	8,191	477
Depositos	(223,965)	4,484,708
Open market funding	(6,417,835)	585,363
Funds from Acceptance and Issue of Securities	12,771	(40,103)
Borrowings and Onlending	(312,790)	301,378
Derivative financial instruments	(9,562)	(7,380)
Other obligations	(966,032)	(1,046,827)
Provisions	(272,575)	(350,697)
Income Received in Advance	(7,500)	196,102
Other Financial Instruments	4,919,302	(6,640,556)
Deferred Tax Liabilities	(239,646)	116,074
Income tax and social contribution paid	(760,246)	(490,919)
Prior-year adjustments	-	(2,591)
CASH USED IN OPERATING ACTIVITIES	(1,593,478)	(1,940,137)
CASH FLOWS FROM INVESTING ACTIVITIES		
Investments	-	(7)
Investments in property and equipment in use	(32,165)	(9,864)
Investments in intangible assets	(766)	(158)
Investments in assets not for own use	(1,360)	(719)
Disposal of investments	150	189
Disposal (write-off) of property and equipment in use	2,948	1,217
Securities available for sale	3,681,465	1,323,069
CASH PROVIDED IN INVESTING ACTIVITIES	3,650,272	1,313,727
CASH FLOWS FROM FINANCING ACTIVITIES		
Subordinated debt eligible for capital	112,707	(90,840)
Payment of dividends as interest of equity and of Dividends	(242,045)	(95,582)
Payment of interest on debt instruments eligible to principal capital	(83,207)	(243,240)
Amortization of Debt Instruments Eligible to Principal Capital	-	(250,000)
CASH USED IN FINANCING ACTIVITIES	(212,545)	(679,662)
Increase/(decrease) in cash and cash equivalents	1,844,249	(1,306,072)
STATEMENT OF CHANGES IN CASH AND CASH EQUIVALENTS		
At beginning of period	3,346,193	3,444,451
At end of period	5,190,442	2,138,379
Increase/decrease in cash and cash equivalents	1,844,249	(1,306,072)

NOTES TO INDIVIDUAL INTERIM FINANCIAL STATEMENTS OF BANCO DO NORDESTE DO BRASIL S.A.

Quarters and Periods ended September 30, 2021 and 2020 and year ended 2020

Amounts expressed in thousands of reais, unless otherwise stated

ACCOUNT DESCRIPTION	CAPITAL	CAPITAL RESERVES	REVALUATION RESERVES	INCOME RESERVES	RETAINED EARNINGS (ACCUMULATED LOSSES)	OTHER COMPREHENSIVE INCOME	TOTAL EQUITY
BALANCES at 12.31.2020	5,569,988	-	13,671	1,668,959	-	(1,080,643)	6,171,975
Income/loss for the period	-	-	-	-	901,890	-	901,890
Allocations	-	-	-	757,238	(757,238)	-	-
Other allocations	-	-	-	757,238	(757,238)	-	-
Legal reserve	-	-	-	35,521	(35,521)	-	-
Reserve for operational margin	-	-	-	379,911	(379,911)	-	-
Reserve for Dividend Equalization	-	-	-	126,637	(126,637)	-	-
Special income reserve	-	-	-	215,169	(215,169)	-	-
Equity adjustments	-	-	(378)	-	1,209	52,958	53,789
Equity Adjustments to Securities (Net of Tax Effects)	-	-	-	-	-	(334,906)	(334,906)
Realization of reserve	-	-	(378)	-	1,209	-	831
Actuarial Gains (Losses), net of Tax Effects	-	-	-	-	-	387,864	387,864
Capital increase/reduction	723,472	-	-	(723,472)	-	-	-
Approved capitalization	723,472	-	-	(723,472)	-	-	-
BALANCES at 09.30.2021	6,293,460	-	13,293	1,702,725	145,861	(1,027,685)	7,127,654

ACCOUNT DESCRIPTION	CAPITAL	CAPITAL RESERVES	REVALUATION RESERVES	INCOME RESERVES	RETAINED EARNINGS (ACCUMULATED LOSSES)	OTHER COMPREHENSIVE INCOME	TOTAL EQUITY
BALANCES at 31.12.2019	3,813,000	-	13,726	2,651,514	-	(1,050,835)	5,427,405
Prior-year adjustments	-	-	-	-	(2,591)	-	(2,591)
Adjusted balance	3,813,000	-	13,726	2,651,514	(2,591)	(1,050,835)	5,424,814
Income/loss for the period	-	-	-	-	637,876	-	637,876
Allocations	-	-	-	402,652	(402,721)	-	(69)
Other allocations	-	-	-	402,652	(402,721)	-	(69)
Legal reserve	-	-	-	16,627	(16,627)	-	-
Reserve for operational margin	-	-	-	176,075	(176,075)	-	-
Reserve for Dividend Equalization	-	-	-	58,691	(58,691)	-	-
Special income reserve	-	-	-	151,328	(151,328)	-	-
Other (Transfer for payment of additional IOE for 2019)	-	-	-	(69)	69	-	-
Provision for Dividends/IOE for 2019	-	-	-	-	(69)	-	(69)
Equity adjustments	-	-	(41)	-	41	146,845	146,845
Equity Adjustments to Securities (Net of Tax Effects)	-	-	-	-	-	(163,344)	(163,344)
Realization of reserve	-	-	(41)	-	41	-	-
Actuarial Gains (Losses), net of Tax Effects	-	-	-	-	-	310,189	310,189
Capital increase/reduction	1,756,988	-	-	(1,756,988)	-	-	-
Approved capitalization	1,756,988	-	-	(1,756,988)	-	-	-
BALANCES at 09.30.2020	5,569,988	-	13,685	1,297,178	232,605	(903,990)	6,209,466

NOTES TO INDIVIDUAL INTERIM FINANCIAL STATEMENTS OF BANCO DO NORDESTE DO BRASIL S.A.

Quarters and Periods ended September 30, 2021 and 2020 and year ended 2020

Amounts expressed in thousands of reais, unless otherwise stated

	01.01 to 09.30.2021	01.01 to 09.30.2020
BANCO DO NORDESTE DO BRASIL S.A.		
Individual Interim Financial Statements		
STATEMENT OF VALUE ADDED		
Quarters ended September 30, 2021 and September 30, 2020		
(In thousands of reais)		
REVENUES	6,096,286	5,542,346
Financial intermediation	3,411,388	3,076,271
Services rendered and bank fees	1,990,058	2,059,230
Allowance for Credit Risk	(209,182)	(212,166)
Other revenues/expenses	904,022	619,011
EXPENSES FROM FINANCIAL INTERMEDIATION	(1,170,312)	(1,553,411)
INPUTS ACQUIRED FROM THIRD PARTIES	(1,082,848)	(946,251)
Materials, Energy and Other	(73,659)	(67,293)
Third-Party Services	(639,888)	(554,578)
Other	(369,301)	(324,380)
Data Processing and Telecommunications	(208,594)	(188,261)
Advertising, Promotions and Publications	(30,975)	(23,512)
Transportation	(20,412)	(20,195)
Security	(50,862)	(46,439)
Travel	(7,147)	(5,770)
Other	(51,311)	(40,203)
GROSS VALUE ADDED	3,843,126	3,042,684
RETENTIONS	(10,464)	(9,275)
Depreciation, amortization and depletion	(10,464)	(9,275)
NET VALUE ADDED PRODUCED BY THE ENTITY	3,832,662	3,033,409
TOTAL VALUE ADDED TO BE DISTRIBUTED	3,832,662	3,033,409
DISTRIBUTION OF VALUE ADDED	3,832,662	3,033,409
PERSONNEL	1,506,249	1,470,538
WORK COMPENSATION	976,812	996,551
Salaries	921,704	957,204
Profit sharing	55,108	39,347
BENEFITS	457,248	404,225
Provisions (post-employment benefits)	314,521	266,658
Benefits - Other	142,727	137,567
UNEMPLOYMENT COMPENSATION FUND (FGTS)	72,189	69,762
TAXES, CHARGES AND CONTRIBUTIONS	1,393,445	895,227
Federal	1,358,514	861,701
State	36	52
Local	34,895	33,474
DEBT REMUNERATION	31,078	29,768
Rents	31,078	29,768
EQUITY REMUNERATION	901,890	637,876
Retained Income	901.890	637.876

NOTES TO INDIVIDUAL INTERIM FINANCIAL STATEMENTS OF BANCO DO NORDESTE DO BRASIL S.A.

Quarters and Periods ended September 30, 2021 and 2020 and year ended 2020

Amounts expressed in thousands of reais, unless otherwise stated

Contents - Notes to interim financial statements

Note 1 - The Bank and its Characteristics	Note 18 - Debt instruments eligible to capital
Note 2 - Basis of Preparation and Presentation of Individual Interim Financial Statements	Note 19 - Income Received in Advance
Note 3 - Summary of Significant Accounting Practices	Note 20 - Equity
Note 4 - Segment Reporting	Note 21 - Other Operating Income/Expenses
Note 5 - Cash and Cash Equivalents	Note 22 - Taxes and contributions
Note 6 - Interbank Investments	Note 23 - Provisions, Contingent Assets, Contingent Liabilities and Legal Obligations
Note 7 - Securities and derivative financial instruments	Note 24 - Employee and Officer Compensation
Note 8 - Interbank accounts - Linked credits	Note 25 - Post-Employment Benefits
Note 9 - Loan Portfolio and Allowance for Loan Losses Associated with Credit Risk	Note 26 - Fundo Constitucional de Financiamento do Nordeste (FNE)
Note 10 - Other credits	
Note 11 - Other assets	Note 27 - Fundo de Desenvolvimento do Nordeste (FDNE)
Note 12 - Other values and assets	Note 28 - Workers' Assistance Fund (Fundo de Amparo ao Trabalhador - FAT)
Note 13 - Investments, property and equipment and intangible assets	Note 29 - Risk Management and Basel Index
Note 14 - Deposits, Open Market Funding, Funds from Acceptance and Issue of Securities, Debt Instruments Eligible to Capital and Subordinated Debts	Note 30 - Related Parties
Note 15 - Borrowings and Onlending	Note 31 - Recurring and Nonrecurring Income (Expenses)
Note 16 - Other financial instruments	Note 32 - Subsequent Events
Note 17 - Other Liabilities	Note 33 - Other Information

NOTE 1 - The Bank and its Characteristics

Banco do Nordeste do Brasil S.A. (Bank) is a mixed economy publicly-held financial institution established by Federal Law No. 1649 of 07.19.1952, with head office at Avenida Dr. Silas Munguba, nº 5700, Passaré, in the city of Fortaleza, Ceará State, Brazil, and its mission is: "To operate as the Development Bank for the Brazilian Northeast Region". Banco do Nordeste is authorized to operate all the portfolios permitted for multiple service banks. As an institution devoted to regional development, the Bank operates as the executive agent of public policies and is responsible for managing Fundo Constitucional de Financiamento do Nordeste (FNE) - the main source of funds used by the Bank for long-term financing - and the operation of the National Family Farming Strengthening Program (Programa Nacional de Fortalecimento da Agricultura Familiar - Pronaf) in its jurisdiction. The Bank is also the operator of the Northeast Investment Fund (Fundo de Investimentos do Nordeste - FINOR) and the Northeast Development Fund (Fundo de Desenvolvimento do Nordeste - FDNE). It has the largest micro-financing program in Latin America, consolidated under Crediamigo and Agroamigo, which facilitate access to loans to small entrepreneurs who engage in production-related, product sale, and service activities in urban and rural areas. In addition to federal funds, the Bank has access to other sources of financing in the domestic and foreign markets through funds raised directly, as well as partnerships with domestic and foreign institutions, including multilateral institutions such as the World Bank and the InterAmerican Development Bank (IDB).

NOTE 2 - Basis of Preparation and Presentation of Individual Interim Financial Statements

The financial statements Individual Interim were prepared in accordance with the provisions of the Brazilian Corporation Law (Law No. 6404 of 12.15.1976, as amended), and regulations of the National Monetary Council (Conselho Monetário Nacional - CMN), the Central Bank of Brazil (Banco Central do Brasil - BACEN), and the Brazilian Securities and Exchange Commission (Comissão de Valores Mobiliários - CVM).

NOTES TO INDIVIDUAL INTERIM FINANCIAL STATEMENTS OF BANCO DO NORDESTE DO BRASIL S.A.

Quarters and Periods ended September 30, 2021 and 2020 and year ended 2020

Amounts expressed in thousands of reais, unless otherwise stated

CMN Resolution No. 4818, edited on 05.29.2020, consolidates the general criteria for preparation and disclosure of financial statements by Financial Institutions and repeals the provisions of CMN Resolutions No. 4720, of 05.30.2019 and No. 4776, of 01.29.2020, which addressed with the matter. BCB Resolution No. 02, of 08.12.2020 repealed Bacen Circular No. 3959, of 09.04.2019, maintaining, however, the procedures originally established in that Circular, which amended, as of 01.01.2020, the general criteria for the preparation and disclosure of Financial Statements in force until then, with emphasis on the segregation of Assets and Liabilities in the Balance Sheet into Current and Noncurrent, change in the presentation of the Income Statement and the requirement to present the Statement of Comprehensive Income. We should stress that these measures did not impact the criteria adopted by the Bank until such date.

The Individual Interim Financial Statements were prepared on a going-concern basis, since management considers that the Bank has sufficient resources to continue operating in order to fulfill its mission and business purpose. There are no material uncertainties that may cast significant doubts as to the Bank's ability to continue as a going concern.

The pronouncements issued by Brazil's Financial Accounting Standards Board - FASB (Comitê de Pronunciamentos Contábeis - CPC) in the process of convergence between the Brazilian accounting standards and the International Financial Reporting Standards (IFRS), adopted by the CMN and BCB by way of rules amended as well as those approved by the CVM that do not clash with CMN and BCB rules, are included in these individual interim financial statements, as follows:

- CPC 00 (R1) - Conceptual Framework for the Preparation and Presentation of Financial Statements (CMN Resolution No. 4144 of 09.27.2012);
- CPC 01 - Impairment of Assets (CMN Resolution No. 3566 of 05.29.2008);
- CPC 02 (R2) – Effects of Changes in Foreign Exchange Rates and Translation of Financial Statements (CVM Rules No. 640 of 10.07.2010 and No. 760 of 12.22.2016);
- CPC 03 (R2) – Statement of Cash Flows (CMN Resolution No. 4818 of 05.29.2020 and BCB Resolution No. 2 of 08.12.2020);
- CPC 04 (R1) – Intangible Assets (CMN Resolution No. 4.534 of 11.24.2016);
- CPC 05 (R1) – Related Party Disclosures (CMN Resolution No. 4818 of 05.29.2020 and BCB Resolution No. 2 of 08.12.2020);
- CPC 09 - Statement of Value Added (CVM Rule No. 557 of 11.12.2008);
- CPC 12 - Present Value Adjustment (CVM Rule No. 564 of 12.17.2008);
- CPC 21 (R1) - Interim Financial Reporting (CVM Rule No. 673 of 10.20.2011);
- CPC 22 - Segment Reporting (CVM Rule No. 582 of 07.31.2009);
- CPC 23 - Accounting Policies, Changes in Accounting Estimates and Errors (CMN Resolution No. 4007 of 08.25.2011);
- CPC 24 – Subsequent Events (CMN Resolution No. 4818 of 05.29.2020 and BCB Resolution No. 2 of 08.12.2020);
- CPC 25 - Provisions, Contingent Liabilities and Contingent Assets (CMN Resolution No. 3823 of 12.16.2009);
- CPC 26 (R1) - Presentation of Financial Statements (CVM Rule No. 760 of 12.22.2016);
- CPC 27 - Property and Equipment (CMN Resolution No. 4535 of 11.24.2016);
- CPC 32 - Income Taxes (CVM Rule No. 599 of 09.15.2009);
- CPC 33 (R1) – Employee Benefits (CMN Resolution No. 4877 of 12.23.2020);
- CPC 41 – Earnings per Share (CMN Resolution No. 4818 of 05.29.2020 and BCB Resolution No. 2 of 08.12.2020); and
- CPC 46 - Fair Value Measurement (CMN Resolution No. 4748 of 08.29.2019).

NOTES TO INDIVIDUAL INTERIM FINANCIAL STATEMENTS OF BANCO DO NORDESTE DO BRASIL S.A.

Quarters and Periods ended September 30, 2021 and 2020 and year ended 2020

Amounts expressed in thousands of reais, unless otherwise stated

Restatement of comparative balances - error correction

In compliance with the procedures provided for in accounting pronouncement CPC 23 - Accounting Policies, Change in Estimates and Error, an adjustment was applied retrospectively, producing effects in the December 2020 Balance Sheet, regarding the presentation of the "Provision for Contingencies" balance, which was included in the Balance Sheet as Current Liabilities. However, considering the unpredictability of the conclusion of the proceedings (civil, tax, labor and other claims, recognized as probable) and classification criteria governed by BCB Resolution No. 2, of August 12, 2020, it was reclassified to Noncurrent Liabilities, as shown in the table below:

BALANCE SHEET	12.31.2020		
	Originally	Adjustm	Restated
Current liabilities	24,716,398	(693,617)	24,022,781
PROVISIONS	1,820,743	(693,617)	1,127,126
Provision for Contingencies	693,617	(693,617)	-
Noncurrent liabilities	30,929,267	693,617	31,622,884
PROVISIONS	5,503,191	693,617	6,196,808
Provision for Contingencies	-	693,617	693,617
Total liabilities	61,817,640	-	61,817,640

NOTE 3 - Summary of Significant Accounting Practices

a) Functional Currency

The Bank's functional and presentation currency is the Brazilian real.

Assets and liabilities denominated in foreign currency are recognized at the average currency rate in force on the transaction date, while nonmonetary assets are stated at historical cost.

At the end of each month, monetary assets and liabilities denominated in foreign currency are restated by the closing exchange rate, and variations are recorded in P&L

b) P&L recognition criteria

Revenues and expenses are recognized on a monthly basis, following the accrual method and considering the pro rata temporis criterion.

c) Current and noncurrent assets and liabilities

Assets and receivables are stated at realizable values, plus income earned and currency variations and currency fluctuation, less unearned income or allowance, if applicable. Liabilities are stated at original amounts plus, if applicable, charges and monetary and currency variations incurred, less deferred expenses. Funds available from FNE are classified in Current liabilities and Noncurrent liabilities according to the expected outflow of funds.

Receivables and payables are recorded in Current assets and noncurrent assets and in Current and noncurrent liabilities, respectively, according to maturity dates

d) Cash and cash equivalents

These correspond to the balances of cash and cash equivalents, interbank investments and securities immediately convertible into cash or with original maturity equal to or less than ninety days from the investment date, with an insignificant risk of change in their market value.

e) Interbank Investments

Are recorded at acquisition cost or investment value, plus income earned and adjusted by the provision for losses, when applicable

NOTES TO INDIVIDUAL INTERIM FINANCIAL STATEMENTS OF BANCO DO NORDESTE DO BRASIL S.A.

Quarters and Periods ended September 30, 2021 and 2020 and year ended 2020

Amounts expressed in thousands of reais, unless otherwise stated

f) Securities

Are recorded at cost, plus brokerage and other fees, and are classified and evaluated as follows:

Available-for-sale securities: securities not classified as either trading securities or held-to-maturity securities and reported at marked value, net of taxes, matched against Equity; and

Held-to-maturity securities: securities that the Bank has the positive intent and ability to hold to maturity, stated at acquisition cost, plus income earned, matched against P&L for the year.

The classification of Available-for-sale securities and Held-to-maturity securities in current and noncurrent assets was determined according to their maturities, which does not mean unavailability of the securities, which are of the highest quality and highly liquid.

The methodology for calculating the fair value of securities was established in accordance with consistent and verifiable criteria, according to the following order of priority:

1st - market prices disclosed by the National Association of Financial Market Institutions (Associação Brasileira das Entidades dos Mercados Financeiro e de Capitais - Anbima) and B3 S.A (Brasil Bolsa Balcão);

2nd - goodwill/negative goodwill on transactions occurred over the past 3 months in B3 S.A.; and

3rd - calculation of probable realizable value based on own pricing model. In this case, the present value is determined by the discounted cash flow at the market rate, net of the risk factor and of the discount for the low liquidity, such as the Financial Bills and Debentures.

Securities subject to fair value, either by collecting prices in the market or by an internal pricing model, are under the influence of various factors, among them: interest rates, exchange variation, rating and liquidity of securities, political, economic and health scenarios. All of these and other factors impact the opportunity cost of these Assets, affecting the values they are traded in the secondary market, or the discount rates at present value used in the internal pricing methodologies (pricing by discounted cash flow). Thus, it is understood that the securities' values may suffer significant variations due to changes in the factors mentioned above.

Gains on securities, irrespective of the category into which they are classified, are appropriated on a pro rata day basis and on an accrual basis, through maturity date or definitive sale of the security, according to the compound interest method or the straight-line method, based on remuneration clauses and acquisition rate distributed in the passage of time and recorded directly in P&L for the year.

Losses on available-for-sale and held-to-maturity securities that are not characterized as temporary losses are recognized directly in P&L for the year and begin to compose the new base of the asset cost.

At the time of disposal, the difference between the sale price and the acquisition cost restated by income is considered as a result of the transaction and is recorded at the transaction date as gain or loss on securities.

g) Derivative Financial Instruments (DFI)

The Bank limits its operations in the derivative market to swap transactions intended solely to hedge its asset and liability positions.

Swap transactions are stated in balance sheet and memorandum accounts, according to their nature and in compliance with legal and accounting standards in force. They are measured at market value on occasion of preparation of monthly trial balances and half-yearly balance sheets. Appreciation and depreciation are recognized in the income statement. The rates disclosed by B3 S.A. are used for calculation of the market value of these transactions.

NOTES TO INDIVIDUAL INTERIM FINANCIAL STATEMENTS OF BANCO DO NORDESTE DO BRASIL S.A.

Quarters and Periods ended September 30, 2021 and 2020 and year ended 2020

Amounts expressed in thousands of reais, unless otherwise stated

The Bank uses a conservative policy for investment of funds in line with the conditions of terms and rates established by the respective sources of these funds, so that the assets and liabilities always have compatible terms, interest rates and indexes, reducing any mismatches.

h) Loans, Advances on Exchange Contracts, Other Credits with Loan Features and Allowance for Loan Losses Associated with Credit Risk

These are classified in accordance with management's judgment on risk level, taking into consideration the economic scenario, past experience and specific risks related to the operation, debtors and guarantors, considering the standards established by CMN Resolution No. 2682 of 12.21.1999, which require the periodic analysis of the portfolio and its rating into nine risk levels, where "AA" is the minimum risk and "H" is the maximum risk, as well as the classification of operations in arrears for more than 15 days as past due operations.

Income from loans overdue for more than 59 days, regardless of the risk level, is only recognized as revenue when effectively received.

H-rated operations remain under this rating for 180 days, when they are then written off against the existing allowance and controlled for at least five years, no longer being included in the balance sheets.

Renegotiated operations remain, at least, at the same level as previously classified.

Renegotiated loans that have been written off against the allowance are rated as H, and any recoveries are recognized as income when received.

i) Other Values and Assets

Nonfinancial Assets Held for Sale corresponding to real estate, vehicles and other assets available for sale (own decommissioned, received in accord and satisfaction or arising from enforcement of guarantees).

These assets are adjusted to fair value through provision set up, in accordance with current regulations.

Prepaid Expenses refer to use of funds in advance payments, the benefits or provision of services of which will occur in the following years.

Prepaid expenses are recorded at cost and amortized as the services are performed or benefits are generated

j) Taxes

Corporate Income Tax (IRPJ) is calculated at the rate of 15% plus a 10% surtax (on taxable profit exceeding R\$240 thousand for the year), and Social Contribution Tax on Net Profit (CSLL) is calculated at the rate of 20%, after adjustments in Corporate Profit defined in tax legislation.

With Law No. 14183, of July 14, 2021, CSLL rate increased, as of July 1, 2021, to 25%, effective until December 2021, which is already observed regarding amounts set up based on the realization of Deferred Tax Assets and Liabilities expected for 2021. For the current tax, this change took place as of July 2021.

The federal contribution taxes on gross revenue for Public Service Employee Savings Program (Pasep) and for Social Security Financing (Cofins) are calculated at the rates of 0.65% and 4%, respectively. The Service Tax (ISSQN) is calculated according to the legislation of each municipality, with rates ranging from 2% to 5%.

The total IRPJ and CSLL tax burden is comprised of the provision for these taxes (current expense + deferred tax liability) and of deferred tax asset. Current expense refers to the amount effectively paid to the federal treasury. Deferred tax assets and liabilities are deferred taxes arising from income tax and social contribution losses and temporary differences between accounting and tax base. Temporary differences arise, for example, from allowances for loan losses, provisions for post-employment benefits, other provisions for contingencies, market value adjustments, income from renegotiations - taxed on a cash basis (article 12, paragraph 2 of Law No. 9430 of 12.27.1996), depreciation, etc.

NOTES TO INDIVIDUAL INTERIM FINANCIAL STATEMENTS OF BANCO DO NORDESTE DO BRASIL S.A.

Quarters and Periods ended September 30, 2021 and 2020 and year ended 2020

Amounts expressed in thousands of reais, unless otherwise stated

The accrual of deferred IRPJ/CSLL assets and liabilities is based on the estimate of their realization, according to a technical study carried out every six months, considering the tax rates in force in the year of realization of these assets. Deferred Tax Assets are recognized according to the expectation of generation of future profits, in accordance with the accrual, maintenance and write-off criteria established by CMN Resolution No. 4842 of 7.30.2020. In the case of Deferred Tax Liabilities, this legislation does not establish limits for accrual and maintenance, since their realization does not require future profits.

Deferred Tax Credits and Liabilities are realizable according to their origin and are allocated to Noncurrent Assets and Liabilities, respectively. Those arising from temporary differences are realized through the use or reversal of the provisions that served as the basis for their recognition, and the main realization criteria are as follows:

- Allowance for loan losses associated with credit risk: a) credit reimbursement schedule; and b) classification under losses according to Law No. 9430/1996;
- Other Provisions: payment forecast (contribution flow, stock market prediction, etc.);
- Market Value Adjustment: contractual term;
- Revenues from renegotiations, taxed on a cash basis (article 12, paragraph 2 of Law No. 9430/1996) credit reimbursement schedule; and
- Depreciation: appropriation of depreciation expense based on the accounting useful life, after the end of the useful life considered for tax purposes.

In turn, the tax credits on income tax and social contribution losses are realized upon generation of taxable profits, through offsetting in the tax base of referred to taxes, respecting the limit of 30% of referred to base.

Current and deferred taxes are recognized in the Income Statement, except when they result from a transaction recognized directly in Equity, case in which the tax effect is recognized in Equity (in Other Comprehensive Income).

k) Investments, property and equipment and intangible assets

Investments: these are stated at cost, net of Provision for Losses.

Property and equipment in use: stated at acquisition cost, less impairment losses and related depreciation, are calculated by the straight-line method, from the moment of availability of the asset for use, considering the estimated useful lives of the assets, as follows: Buildings and facilities – 40 to 60 years; Furniture and Fixtures - 10 to 45 years; Machinery and Equipment - 15 to 35 years; Aircraft – 20 years; and Vehicles (cars, tractors and bicycles) - 10 to 30 years. Land and works of art are not depreciated. The depreciation method, useful life and residual values are reviewed every year.

Intangible assets: correspond to identifiable non-monetary assets, without physical substances, internally acquired or developed and intended for the maintenance of the Bank's activities.

l) Impairment of assets)

Impairment losses are recognized when the carrying amount of an asset exceeds its recoverable amount. Significant nonfinancial assets and financial assets classified as available-for-sale and held-to-maturity are reviewed at least at the end of each reporting period, to determine if there is any indication of impairment loss.

m) Deposits and open market funding

These are recognized at the amount of liabilities, and related charges, when applicable, are recorded on a pro rata day basis.

NOTES TO INDIVIDUAL INTERIM FINANCIAL STATEMENTS OF BANCO DO NORDESTE DO BRASIL S.A.

Quarters and Periods ended September 30, 2021 and 2020 and year ended 2020

Amounts expressed in thousands of reais, unless otherwise stated

n) Subordinated debts

These are recorded at the cost of acquisition, restated by reference to the extra-market rate disclosed by Bacen when the funds are available and, when invested, by reference to the charges agreed upon by the borrowers

o) Provisions, Contingent Assets, Contingent Liabilities and Legal Obligations

Provisions, contingent assets, contingent liabilities and legal obligations are recognized, measured and disclosed according to the criteria defined in CPC 25 - Provisions, Contingent Liabilities and Contingent Assets, approved by CMN Resolution No. 3823 of 12.16.2009, and BACEN Circular Letter No. 3429 of 02.11.2010.

Provisions for civil, tax, labor and other claims are recognized in the individual interim financial statements when, based on the opinion of legal advisors and management, the likelihood of loss in a given legal or administrative proceeding is assessed as probable, the settlement of which is likely to result in an outflow of economic benefits, and the amounts involved can be reliably measured upon court reference/notification, reviewed as required by procedural changes, and monetarily restated on a monthly basis.

The assessment of the provision and contingent liability, risk level of new lawsuits, and reassessment of already existing lawsuits are made case by case and classified according to the likelihood of loss, as probable, possible and remote, except for the proceedings under procedural steps in the Special Civil Courts and Regional Labor Offices, whose provision are assessed based on the historical average of losses.

Contingencies classified as probable losses are accounted for and represented by Civil proceedings (claiming compensation for pain and suffering and property damage, including, among others, protest of notes, return of checks, and provision of information to credit reporting agencies); Labor claims (claiming labor rights, in light of specific professional category legislation, such as overtime pay, salary equalization, job reinstatement, transfer allowance, severance pay, retirement supplementation, including enforcement notices issued by Regional Labor Offices and others); Tax and Social Security proceedings (represented by legal and administrative proceedings involving federal and municipal taxes); and Other proceedings (such as enforcement notices issued by Regional Councils that regulate the exercise of professions). For lawsuits unfavorable outcome of which is possible or remote, provisions are not set up, as provided for in legal and regulatory requirements, except for legal obligations.

Contingent assets are not accounted for. When there are security interests or favorable unappealable judicial decisions making gains practically certain, and the confirmation of the ability for recovery through receipt or offset against another liability, said gain is recognized in the financial statements because the related asset is no longer a contingent asset. Contingent assets for which the receipt of economic benefits is probable have their nature disclosed in the explanatory notes, as well as an estimate of their financial effects, when practicable.

Legal obligations derive from tax obligations and a provision in their full amount is recognized in the individual interim financial statements, regardless of the likelihood of success in ongoing lawsuits.

p) Employee benefits

The Bank grants its employees short-term and post-employment benefits. Short-term benefits are recognized and measured at their original amounts (excluding the effect of the discount to present value or actuarial calculation), on an accrual basis.

Post-employment benefits refer to "defined benefit" and "variable contribution" pension plans, as well as a defined benefit health care plan and defined benefit group life insurance.

For "defined benefit" plans and for the portion of unplanned benefits of the variable contribution plan, which has characteristics of defined benefit plan, the net current service cost and net interest on net actuarial liabilities, including interest on the defined benefit asset limit effect, as applicable, are recognized in P&L, whereas actuarial gains and losses and return on plan assets, less amounts considered in net interest, are recognized under "Other Comprehensive Income", in Equity.

Contributions referring to the portion of defined contribution of the variable contribution plan are recognized in P&L.

To mitigate the uncertainties arising from actuarial calculations, the Bank counts on specialized advisory service firms that, on a quarterly basis, remeasure these calculations, which include sensitivity analysis, encompassing the simulation of scenarios of assumptions considered most significant, such as interest rate, mortality table and health care inflation

NOTES TO INDIVIDUAL INTERIM FINANCIAL STATEMENTS OF BANCO DO NORDESTE DO BRASIL S.A.

Quarters and Periods ended September 30, 2021 and 2020 and year ended 2020

Amounts expressed in thousands of reais, unless otherwise stated

q) Use of estimates

The preparation of the individual interim financial statements includes estimates and assumptions, such as in determining allowances for loan losses associated with credit risk, market value measurement of financial instruments, provision for contingencies, impairment losses and other provisions, e.g. provision for actuarial liabilities for health care and complementary pension plans, and life insurance, as well as for set up and realization of Deferred tax Assets/Liabilities. Actual results could differ from such estimates and assumptions.

r) Interest on Equity (IOE) and Dividends

Shareholders are entitled to receive, as mandatory minimum dividend for each year, 25% (twenty-five percent) of the net income for the year, adjusted according to the legislation, as established in the Bank's Charter. Interest on equity may be attributed to minimum dividends.

s) Earnings per share

The Bank's basic and diluted earnings per share were calculated by dividing net income attributable to shareholders by the weighted average number of total common shares. The Bank has no stock option, subscription bonus or any other right to acquire shares. Accordingly, basic and diluted earnings per share are the same.

t) Recurring and Nonrecurring income (expenses)

In compliance with BCB Resolution No. 2, of August 12, 2020, regarding the procedures for preparation, disclosure and filing of financial statements of Financial Institutions, notably Chapter II, article 34, item V, which sets out considerations about nonrecurring income, nonrecurring income is considered to be income that: a) is not related or is incidentally related to the institution's typical activities; and b) is not expected to occur frequently in future years.

The income that is not related or is incidentally related to the institution's typical activities will have its frequency confirmed when occurring for more than two consecutive years

NOTE 4 - Segment Reporting

For management purposes, the Bank is organized into two operating segments based on products and services:

- a) Own Portfolio - comprises own portfolio products and services such as: lending and market operations, fund management and provision of other banking services and collaterals; and
- b) FNE - comprises loans within the scope of FNE.

Bank management manages operating income separately in order to make decisions on the fund allocation and performance assessment. The performance of each segment is assessed based on the financial margin plus bank fees.

For the quarters ended 09.30.2021 and 09.30.2020, no revenue from transactions with one single customer accounted for 10% or more of the Bank's total revenue.

The table below shows information on revenues, costs, expenses and financial margin of operating segments. Administrative expenses, as well as other expenses not directly allocated to each operating segment, are classified as corporate expenses and were included in column "Total":

NOTES TO INDIVIDUAL INTERIM FINANCIAL STATEMENTS OF BANCO DO NORDESTE DO BRASIL S.A.

Quarters and Periods ended September 30, 2021 and 2020 and year ended 2020

Amounts expressed in thousands of reais, unless otherwise stated

Specification	01.01 to 09.30.2021			01.01 to 09.30.2020		
	Own portfolio	FNE	Total	Own portfolio	FNE	Total
Revenues	3,032,049	2,204,110	5,236,159	2,756,477	1,960,082	4,716,559
Income from Loans (Note 9.a.2)	1,943,994	-	1,943,994	1,740,362	-	1,740,362
Gain (loss) on securities (Note 7.b)	842,685	515,508	1,358,193	207,441	539,537	746,978
Gains (losses) on derivative financial instruments (Note 7.d)	18,913	-	18,913	7,380	-	7,380
Foreign exchange gains (Note 10.b)	75,928	-	75,928	567,102	-	567,102
Compulsory investment gains (Note 8.b)	14,360	-	14,360	14,449	-	14,449
Other revenues	136,169	1,688,602	1,824,771	219,743	1,420,545	1,640,288
Expenses	(817,465)	(1,134,191)	(1,951,656)	(1,198,655)	(1,009,446)	(2,208,101)
Expenses with open market funding (Note 14.d)	(434,887)	-	(434,887)	(324,878)	-	(324,878)
Expenses on Borrowings and Onlending (Note 15.e)	(173,396)	(562,029)	(735,425)	(661,611)	(566,922)	(1,228,533)
Allowance for Credit Risk	(209,182)	(572,162)	(781,344)	(212,166)	(442,524)	(654,690)
Financial Margin	2,214,584	1,069,919	3,284,503	1,557,822	950,636	2,508,458
Service revenues (Note 21.a)	547,388	1,353,441	1,900,829	540,020	1,445,569	1,985,589
Income from fees, charges and commissions (Note 21.b)	89,229	-	89,229	73,641	-	73,641
PASEP and COFINS	(109,305)	(158,207)	(267,512)	(64,949)	(152,667)	(217,616)
Income after fees and commissions	2,741,896	2,265,153	5,007,049	2,106,534	2,243,538	4,350,072
Administrative expenses			(2,796,895)			(2,630,975)
Personnel expenses (Note 21.c)			(1,672,505)			(1,645,681)
Other Administrative Expenses (Note 21.d)			(1,124,390)			(985,294)
Other expenses			(267,049)			(443,348)
Expenses with Provisions, Except Allowance			(117,720)			(170,021)
Income Before Taxation and Profit Sharing			1,825,385			1,105,728
Income and social contribution taxes			(868,387)			(428,505)
Profit Sharing			(55,108)			(39,347)
Net income			901,890			637,876

NOTES TO INDIVIDUAL INTERIM FINANCIAL STATEMENTS OF BANCO DO NORDESTE DO BRASIL S.A.

Quarters and Periods ended September 30, 2021 and 2020 and year ended 2020

Amounts expressed in thousands of reais, unless otherwise stated

NOTE 5 - Cash and Cash Equivalents

Specification	09.30.2021	12.31.2020
Cash	150,763	151,123
Cash and cash equivalents in foreign currency	8,568	3,922
Total Cash	159,331	155,045
Interbank investments(1)	5,031,111	3,191,148
Total Cash and Cash Equivalents	5,190,442	3,346,193

(1) Transactions whose maturity on the investment date is equal or within 90 days.

NOTA 6 - Interbank Investments

Specification	09.30.2021	12.31.2020
Open market investments	5,031,111	3,191,148
Resale to settle - Self-funding position	5,031,111	3,191,148
Interbank deposit investments	565,832	1,190,015
Investments in foreign currencies	39,062	106,054
Interbank deposit investments	526,770	1,083,961
Total	5,596,943	4,381,163
Current	5,596,943	4,381,163

NOTA 7 - Securities and derivative financial instruments

a) Securities and derivative financial instruments

The restated cost (plus income earned) and the market value of securities are as follows:

a.1) Securities Portfolio and Derivative Financial Instruments

Specification	09.30.2021	12.31.2020
Available-for-sale securities (1) (Note 7.a.2)	34,507,191	38,548,015
Held-to-maturity securities (Note 7.a.5)	312,247	287,793
Differential Payable - Swap (Note 7.c)	916	10,479
Total (1)	34,820,354	38,846,287
Current	10,570,887	4,489,936
Non-Current	24,249,467	34,356,351

NOTES TO INDIVIDUAL INTERIM FINANCIAL STATEMENTS OF BANCO DO NORDESTE DO BRASIL S.A.
Quarters and Periods ended September 30, 2021 and 2020 and year ended 2020
Amounts expressed in thousands of reais, unless otherwise stated

a.2) Securities portfolio

Available-for-sale securities	09.30.2021									12.31.2020	
	Market value				Final maturity	Cost value	Market/book value	Market adjustment	Fair value measurement Level	Market/book value	Market adjustment
	No maturity	31 to 180 days	181 to 360 days	Over 360 days							
Fixed Income Securities	13.325	7.766.677	2.693.729	23.365.030		34.046.130	33.838.761	(207.369)		37.897.582	402.662
Financial Treasury Bills (LFT)	-	7.661.922	1.786.393	20.089.781	2022 to 2025	29.590.381	29.538.096	(52.285)	Level 1	33.184.111	(73.881)
National Treasury Notes (NTN)	-	-	-	3.107.254	2050 to 2055	3.011.787	3.107.254	95.467	Level 1	3.537.961	716.119
Financial Bills	-	104.731	907.336	103.372	2022 to 2023	1.127.362	1.115.439	(11.923)	Level 3	1.068.350	(28.754)
Debentures	13.325	-	-	62.397	2035	313.902	75.722	(238.180)	Level 3	104.584	(210.307)
Federal Government Securities - FCVS	-	-	-	2.192	2027	2.636	2.192	(444)	Level 2	2.520	(510)
Agrarian Debt Bonds (TDAs)	-	24	-	34	2021 to 2022	62	58	(4)	Level 2	56	(5)
Investment Fund Shares	518	-	-	-		2.055	518	(1.537)		504	(1.565)
Social Development Funds (FDS)	-	-	-	-	No maturity	1.537	-	(1.537)	Level 3	-	(1.565)
Investment Guarantee Fund (FGI)	465	-	-	-	No maturity	465	465	-	Level 2	460	-
Operation Guarantee Fund (FGO)	53	-	-	-	No maturity	53	53	-	Level 2	44	-
Variable Income Securities	55.401	-	-	-	No maturity	23.241	55.401	32.160		52.200	28.959
Other Tax Incentives (FINOR)	498	-	-	-	No maturity	109	498	389	Level 1	280	171
Shares Issued by Publicly Held Companies	54.903	-	-	-	No maturity	23.132	54.903	31.771	Level 1	51.920	28.788
Security Deposits⁽¹⁾	-	7.422	-	605.089		612.455	612.511	56		597.729	(613)
Financial Treasury Bills (LFT)	-	7.422	-	605.089	2022 to 2025	612.455	612.511	56	Level 1	597.729	(613)
Total of Category	69.244	7.774.099	2.693.729	23.970.119		34.683.881	34.507.191	(176.690)		38.548.015	429.443
Tax credit (Note 22.c.h)								161.325			142.035
Provision for Deferred Taxes and Contributions (Note 22.d.e)								(83.344)			(335.285)
Total Market Value Adjustment								(98.709)			236.193

⁽¹⁾ Breakdown: Guarantees on Stock Exchange Transactions R\$ 564,310 (R\$ 549,618 at 12.31.2020); Guarantees on Clearing House Association Transactions R\$ 3,439 (R\$ 3,349 at 12.31.2020); Guarantees on Legal Proceedings R\$ 13,735 (R\$ 14,633 at 12.31.2020); and Other Guarantees R\$ 31,027 (R\$ 30,129 at 12.31.2020).

In view of the classification of assets in the category "Available-for-sale securities", the "Market Adjustment" balance of R\$ (176,690) (R\$ 429,443 at 12.31.2020) is recorded in "Other Comprehensive Income". This adjustment, net of tax effects, corresponds to R\$ (98,709) (R\$ 236,193 at 12.31.2020).

NOTES TO INDIVIDUAL INTERIM FINANCIAL STATEMENTS OF BANCO DO NORDESTE DO BRASIL S.A.
Quarters and Periods ended September 30, 2021 and 2020 and year ended 2020
Amounts expressed in thousands of reais, unless otherwise stated

a.3) Permanent Losses on Available-for-sale securities

Specification	Cost	Provisions for impairment of assets ⁽¹⁾	Net cost of Provision	
			09.30.2021	12.31.2020
Debentures	718,251	(404,349)	313,902	314,891
Federal government securities - other	39,825	(39,825)	-	-
Total 09.30.2021	758,076	(444,174)	313,902	
Total 12.31.2020	759,175	(444,284)		314,891

⁽¹⁾ Up to the 3rd Quarter, reversal of Permanent Losses, net, amounted to 110, in the Debentures portfolio (R\$ 312,047 was recognized as a permanent loss in 2020, pursuant to article 6, of Bacen Circular Memorandum No. 3068, of November 8, 2001)

a.4) Changes in Securities measured at fair value (Level 3)

Specification	Financial Bills	Debentures
Balance at 12.31.2020	1,068,350	104,584
Amortization	-	(3,339)
Income	30,259	2,566
Devaluation for the period	-	(326)
Reversal of permanent losses, net	-	110
Market Adjustment ⁽¹⁾	16,830	(27,873)
Balance at 09.30.2021	1,115,439	75,722

⁽¹⁾ Recognized in "Other Comprehensive Income".

NOTES TO INDIVIDUAL INTERIM FINANCIAL STATEMENTS OF BANCO DO NORDESTE DO BRASIL S.A.**Quarters and Periods ended September 30, 2021 and 2020 and year ended 2020***Amounts expressed in thousands of reais, unless otherwise stated***a.5) Held-to-maturity securities**

Held-to-maturity securities	09.30.2021					12.31.2020		
	Cost value			Final maturity	Cost (book value)	Market Value ⁽¹⁾	Cost (book value)	Market Value ⁽¹⁾
	31 to 180 days	181 to 360 days	Over 360 days					
Fixed Income Securities	32,899	-	279,348		312,247	247,697	287,793	272,847
National Treasury Notes (NTN) - P	-	-	208,215	2030	208,215	143,665	199,215	184,269
FIP Criatec	17,493	-	-	2021	17,493	17,493	18,493	18,493
FIP Criatec II	-	-	21,060	2023	21,060	21,060	16,998	16,998
FIP Criatec III	-	-	10,390	2026	10,390	10,390	7,000	7,000
FIP Brasil Agronegócios	15,406	-	-	2022	15,406	15,406	9,997	9,997
Nordeste III FIP	-	-	32,651	2023	32,651	32,651	30,507	30,507
FIP Anjo	-	-	1,668	2029	1,668	1,668	644	644
Vinci Impacto e Retorno IV Feeder B	-	-	5,364	2030	5,364	5,364	4,939	4,939
Total of Category	32,899	-	279,348		312,247	247,697	287,793	272,847

⁽¹⁾ The market values described above are for illustrative purposes only, and no accounting record has been made in this respect, as required by BACEN Circular Letter No. 3068 of 11.08.2001.

a.5.i) In the 3st quarter of 2021, there were no reclassifications of securities into the categories above, and no held-to-maturity securities were sold.

NOTES TO INDIVIDUAL INTERIM FINANCIAL STATEMENTS OF BANCO DO NORDESTE DO BRASIL S.A.

Quarters and Periods ended September 30, 2021 and 2020 and year ended 2020
Amounts expressed in thousands of reais, unless otherwise stated

a.5.ii) Bank Management states that the institution has the financial capacity and the intention to keep these securities held under this category until maturity.

b) Gain (loss) on securities

Specification	01.01 to 09.30.2021	01.01 to 09.30.2020
Open market investments	98,018	62,486
Interbank deposit investments	19,792	8,909
Fixed Income Securities	1,236,713	672,659
Variable Income Securities	3,670	2,924
Total	1,358,193	746,978

c) Derivative Financial Instruments (DFI)

Breakdown at 09.30.2021						
Specification	Notional value	Market Value		Curve Yield		Negative Market Adjustme
		Differential receivable	Differential payable	Differential receivable	Differential payable	
Long position						
Foreign currency (dollar)	270,440	-	916	-	743	173
Short position						
Rate (CDI)	-	-	-	-	-	-
Total	270.440	-	916	-	743	173

Breakdown at 12.31.2020						
Specification	Notional value	Market Value		Curve Yield		Negative Market Adjustme
		Differential receivable	Differential payable	Differential receivable	Differential payable	
Long position						
Foreign currency (dollar)	236,606	-	10,479	-	10,137	342
Short position						
Rate (CDI)	-	-	-	-	-	-
Total	236,606	-	10,479	-	10,137	342

Specification	09.30.2021	12.31.2020
	Differential payable	Differential payable
Within 3 months	916	2,182
3 to 12 months	-	8,297
Total	916	10,479

c.1) DFI used for risk exposure management

Specification	09.30.2021				
	Curve yield		Market value		Market value adjustment
	Assets Dollar	Liabilities CDI	Assets Dollar	Liabilities CDI	
Swap - Foreign currency - Long position	271,203	271,946	271,030	271,946	(173)

Specification	12.31.2020				
	Curve yield		Market value		Market value adjustment
	Assets Dollar	Liabilities CDI	Assets Dollar	Liabilities CDI	
Swap - Foreign currency - Long position	227,207	237,344	226,865	237,344	(342)

c.2) Composition of the Margin Given in Guarantee of operations with DFI

Specification	09.30.2021	12.31.2020
Simple Swap – final payment	2,603	7,258
Total	2,603	7,258

NOTES TO INDIVIDUAL INTERIM FINANCIAL STATEMENTS OF BANCO DO NORDESTE DO BRASIL S.A.

Quarters and Periods ended September 30, 2021 and 2020 and year ended 2020

Amounts expressed in thousands of reais, unless otherwise stated

d) Gain (loss) on Derivative Financial Instruments

Specification	01.01 to 31.09.2021	01.01 to 09.30.2020
Swap	18,913	7,380
Total	18,913	7,380

NOTE 8 - Interbank accounts - Linked credits

a) Linked credits

Specification	09.30.2021			12.31.2020		
	Gross amount	Provision	Net Amount	Gross amount	Provision	Net Amount
Mandatory Payments - Savings Accounts	204,430	-	204,430	819,374	-	819,374
Compulsory Reserves - Cash Funds	276,499	-	276,499	27,037	-	27,037
National Housing System (SFH)	91,193	(8,554)	82,639	87,639	(8,476)	79,163
Central Bank – Instant Payment Account	353,246	-	353,246	60,622	-	60,622
Total	925,368	(8,554)	916,814	994,672	(8,476)	986,196
Current	834,175	-	834,175	907,033	-	907,033
Non-Current	91,193	(8,554)	82,639	87,639	(8,476)	79,163

b) Compulsory investment gains (losses)

Specification	01.01 to 09.30.2021	01.01 to 09.30.2020
Income from Linked Credits - Central Bank of Brazil	10,884	11,163
Income from Linked Credits – SFH	3,554	3,361
Devaluation of Linked Credits	(78)	(75)
Total	14,360	14,449

NOTE 9 - Loan Portfolio and Allowance for Loan Losses Associated with Credit Risk

a) Loan Portfolio and Allowance for Loan Losses Associated with Credit Risk

Specification	09.30.2021		12.31.2020	
	Gross amount	Allowance	Gross amount	Allowance
Loans	14,471,052	(775,414)	12,343,059	(666,242)
Current	8,800,224	(383,612)	7,250,904	(253,364)
Non-Current	5,670,828	(391,802)	5,092,155	(412,878)
Other Accounts with Loan Features	356,992	(88,819)	837,922	(94,745)
Current	336,225	(88,819)	819,537	(94,745)
Non-Current	20,767	-	18,385	-
Total	14,828,044	(864,233)	13,180,981	(760,987)

a.1) Breakdown of Loan Portfolio

Specification	09.30.2021	12.31.2020
Advances to Depositors	630	534
Borrowings	7,946,162	6,729,813
Discounted Credit Notes	3,402	3,195
Financing	1,866,741	1,828,230
Financing in foreign currency	8,799	7,630
Agribusiness financing	3,283	3,099
Rural financing	2,459,669	1,890,700
Infrastructure and Development Financing	2,182,366	1,879,858
Loans Subtotal	14,471,052	12,343,059
Income Receivable from Advances Granted	10,119	14,913
Debtors for Purchase of Assets	21,237	17,403
Notes and credits receivable	37,775	43,443
Advances on Exchange Contracts (ACC) ⁽¹⁾ (note 10.a)	287,861	762,163
Other Accounts with Loan Features Subtotal	356,992	837,922
Total	14,828,044	13,180,981

⁽¹⁾ Accounts classified as "Other Liabilities/ Foreign Exchange Portfolio".

NOTES TO INDIVIDUAL INTERIM FINANCIAL STATEMENTS OF BANCO DO NORDESTE DO BRASIL S.A.

Quarters and Periods ended September 30, 2021 and 2020 and year ended 2020

Amounts expressed in thousands of reais, unless otherwise stated

a.2) Income from Loans

Specification	01.01 to 09.30.2021	01.01 to 09.30.2020
Loans and Discounted Credit Notes	1,304,957	997,293
Financing	313,704	433,797
Agribusiness financing	659	591
Rural financing	242,121	186,144
Recovery of Loans Written off as Losses	82,553	122,537
Total	1,943,994	1,740,362

b) Operations broken down by maturity

b.1) Current Loans⁽¹⁾

Type of Customer/Activity	01 to 30 days	31 to 60 days	61 to 90 days	91 to 180 days	181 to 360 days	Over 360 days	Total at 09.30.2021	Total at 12.31.2020
Rural	77,670	118,819	264,847	221,511	762,008	993,351	2,438,206	1,823,990
Manufacturing	53,179	57,163	35,695	110,375	275,352	2,018,108	2,549,872	2,427,477
Government	4,977	51	-	35,571	-	409,036	449,635	498,576
Other Services	140,252	113,189	108,293	246,288	272,632	1,390,835	2,271,489	2,343,210
Trade	1,075,732	906,932	799,008	1,664,935	1,182,958	779,324	6,408,889	5,684,654
Financial Brokers	-	-	-	1	2	19,605	19,608	15,591
Individuals	14,760	7,022	4,688	7,979	8,132	11,260	53,841	60,564
Total at 09.30.2021	1,366,570	1,203,176	1,212,531	2,286,660	2,501,084	5,621,519	14,191,540	
Total at 12.31.2020	1,033,677	972,324	933,946	2,431,545	2,474,953	5,007,617		12,854,062

⁽¹⁾ Incluem os créditos vencidos até 14 dias

b.2) Past due loans

Falling due installments								
Type of Customer/Activity	01 to 30 days	31 to 60 days	61 to 90 days	91 to 180 days	181 to 360 days	Over 360 days	Total at 09.30.2021	Total at 12.31.2020
Rural	25	-	19	25	168	795	1,032	42,265
Manufacturing	1,336	1,016	721	1,701	2,578	5,098	12,450	28,501
Other Services	8,926	5,315	4,522	10,792	16,796	30,044	76,395	61,469
Trade	46,924	26,188	22,549	45,937	42,251	33,597	217,446	69,377
Individuals	156	107	81	255	320	542	1,461	1,606
Total at 09.30.2021	57,367	32,626	27,892	58,710	62,113	70,076	308,784	
Total at 12.31.2020	18,154	14,250	11,736	28,131	28,024	102,923		203,218

Overdue installments									
Type of Customer/Activity	01 to 14 days	15 to 30 days	31 to 60 days	61 to 90 days	91 to 180 days	181 to 360 days	Over 360 days ⁽¹⁾	Total at 09.30.2021	Total at 12.31.2020
Rural	-	146	20	66	266	836	22,379	23,713	27,662
Manufacturing	721	815	27,586	773	48,526	2,753	-	81,174	6,680
Other Services	6,662	4,137	5,468	4,197	9,683	8,001	9	38,157	16,732
Trade	38,916	22,352	27,600	18,676	38,101	35,724	5	181,374	68,879
Individuals	10	381	365	313	868	1,362	3	3,302	3,748
Total at 09.30.2021	46,309	27,831	61,039	24,025	97,444	48,676	22,396	327,720	
Total at 12.31.2020	22,239	14,487	14,645	10,326	22,818	15,580	23,606		123,701

⁽¹⁾ These include amounts referring to loans taken out based on CMN Resolution No. 2471 of 02.26.1998 and classified under Current Assets in the Balance Sheet.

NOTES TO INDIVIDUAL INTERIM FINANCIAL STATEMENTS OF BANCO DO NORDESTE DO BRASIL S.A.

Quarters and Periods ended September 30, 2021 and 2020 and year ended 2020

Amounts expressed in thousands of reais, unless otherwise stated

c) Breakdown of Transactions by Risk Levels

Risk level	09.30.2021					
	Current loan (1)	Past due loans	Total portfolio	Regular allowance	Prudential allowance(2)	Total allowance
AA	4,262,495	-	4,262,495	-	(8,267)	(8,267)
A	8,035,338	-	8,035,338	(40,177)	(21,623)	(61,800)
B	598,310	88,207	686,517	(6,865)	(7,504)	(14,369)
C	696,905	99,209	796,114	(23,883)	(30,567)	(54,450)
D	184,105	65,142	249,247	(24,925)	(27,367)	(52,292)
E	36,225	50,177	86,402	(25,921)	(9,487)	(35,408)
F	136,486	34,795	171,281	(85,640)	(18,807)	(104,447)
G	35,622	19,459	55,081	(38,557)	(9,074)	(47,631)
H	206,054	279,515	485,569	(485,569)	-	(485,569)
Total	14,191,540	636,504	14,828,044	(731,537)	(132,696)	(864,233)
Risk level	12.31.2020					
	Current loan (1)	Past due loans	Total portfolio	Regular allowance	Prudential allowance(2)	Total allowance
AA	3,468,555	-	3,468,555	-	(23,763)	(23,763)
A	6,966,471	-	6,966,471	(34,833)	(110,371)	(145,204)
B	1,197,457	42,910	1,240,367	(12,404)	(7,348)	(19,752)
C	616,927	39,893	656,820	(19,705)	(1,406)	(21,111)
D	168,597	27,942	196,539	(19,654)	(929)	(20,583)
E	31,055	24,317	55,372	(16,612)	(850)	(17,462)
F	135,086	12,890	147,976	(73,988)	(1,541)	(75,529)
G	27,783	11,595	39,378	(27,564)	(516)	(28,080)
H	242,131	167,372	409,503	(409,503)	-	(409,503)
Total	12,854,062	326,919	13,180,981	(614,263)	(146,724)	(760,987)

(1) Include loans overdue up to 14 days.

(2) Includes a prudential allowance in percentages higher than the minimum required by CMN Resolution No. 2682, dated 12.21.1999, set up based on an internally established model of credit risk classification according to Note 9.d.

d) Breakdown of the Balance of the Allowance for Loan Losses Associated with Credit Risk

Specification	09.30.2021	12.31.2020
Opening Balance of the Allowance for Loan Losses Associated with Credit Risk	760,987	693,930
(+) Net Allowance according to CMN Resolution No. 2682	77,010	277,331
(+) Net Prudential Allowance	132,696	146,724
(-) Loans Written off as Loss for the Period	(106,460)	(356,998)
(=) Allowance for Loan Losses Associated with Credit Risk, Net	864,233	760,987
Opening Balance of Allowance for Losses on other Credits without Loan Features	27,093	27,354
(+) Allowance Recognized for the Period	93	187
(-) Reversal of Allowance for the Period	(617)	(448)
(=) Net Allowance for Losses on Other Credits without Loan Features (Note 11.b)	26,569	27,093
(=) Balance of the Allowance for Loan Losses Associated with Credit Risk	890,802	788,080

The Bank has been adopting a series of fundamental measures to reduce possible impacts on the loan portfolio, such as extension and renegotiation of terms, and expansion of grace periods for loans and financing, including for microloan. Even with adoption of these measures, an increase in the credit risk of the Bank's portfolio is to be expected, for which a prudential allowance has been set up.

Said prudential allowance is based on a model developed internally and approved by the Executive Board, which considers, among other conditions, history of default, studies by sectors of economic activity developed by the Technical Office for Economic Studies of the Northeast (Etene), linked to the Bank, and the economic activities registered under Administrative Ruling No. 20809 of the Ministry of Economy, as well as future expectations through assessment of the current and prospective economic scenario.

The conclusions of the study indicated the construction of assumptions, including the application of estimated additional Allowance as a proxy for the projected average default rate for the entire loan portfolio exposed to risk, using appropriate methodology and statistical treatment. The expected additional allowance identified through these scenarios is segmented in percentages of additional allowance, by economic activity, according to the section of the National Classification of Economic Activities (CNAE), for application in the loans of this Institution.

Through the 3rd quarter of 2021, the prudential allowance balance recorded, in the amount of R\$ 516,993 (R\$

NOTES TO INDIVIDUAL INTERIM FINANCIAL STATEMENTS OF BANCO DO NORDESTE DO BRASIL S.A.

Quarters and Periods ended September 30, 2021 and 2020 and year ended 2020

Amounts expressed in thousands of reais, unless otherwise stated

509,914 at 12.31.2020), consists of a reserve for economic uncertainties. Of this additional amount, R\$ 132,696 (R\$ 146,724 at 12.31.2020) refer to transactions of the Bank itself (Note 9.c) and R\$ 384,297 (R\$ 363,190 at 12.31.2020) to transactions of the Funds, the risk of which lies with the Bank, being R\$ 382,861 (R\$ 362,061 at 12.31.2020) from FNE (Note 26.d) and R\$ 1,436 (R\$ 1,129 at 12.31.2020) from FDNE (Note 9.f).

e) Breakdown of the Balance of the Allowance for Loan Losses Associated with Credit Risk

Specification	01.01 to 09.30.2021	01.01 to 09.30.2020
(+) Expenses with Allowance for Loan Losses Associated with Credit Risk	215,308	214,595
(+) Expenses with Allowance for Losses on Other Credits	725	13,216
(-) Reversal of Operating Provisions	(6,327)	(15,532)
(=) Balance of Expenses with Allowance for Losses on Other Credits with Loan Features	209,706	212,279
(+) Expenses with Allowance for Losses on other Credits without Loan Features	-	18
(-) Reversals of Provisions without Credit Features	(524)	(131)
(=) Net Allowance for Loan Losses Associated with Credit Risk⁽¹⁾	209,182	212,166

⁽¹⁾ Includes a prudential allowance in percentages higher than the minimum required by CMN Resolution No. 2682, dated 12.21.1999, set up based on an internally established model of credit risk classification according to Note 9.d.

f) Provision for financial guarantees provided

Specification	09.30.2021		12.31.2020	
	Balance	Provision ⁽¹⁾	Balance	Provision ⁽¹⁾
Public sector	37,985,864	(3,196,717)	36,148,244	(2,974,937)
FDNE	131,346	(2,749)	126,106	(2,389)
FNE	37,852,745	(3,193,968)	36,022,026	(2,972,548)
Proagro	1,773	-	112	-

⁽¹⁾ Includes a prudential provision in percentages higher than the minimum required by CMN Resolution No. 2682, dated 12.21.1999, set up based on an internally established model of credit risk classification according to Note 9.d.

f.1) Changes in Provision for Financial Guarantees Provided

Specification	09.30.2021	12.31.2020
Opening Balance of Provision for Financial Guarantees Provided	2,974,937	2,748,825
(+) Provision Recognized/(Reversed) for the Period	1,030,301	749,813
(-) Reversal/Use/Write-off	(808,521)	(523,701)
(=) Provision for Financial Guarantees Provided ⁽¹⁾	3,196,717	2,974,937
Current	1,071,378	954,798
Non-Current	2,125,339	2,020,139

⁽¹⁾ Includes a prudential provision in percentages higher than the minimum required by CMN Resolution No. 2682, dated 12.21.1999, set up based on an internally established model of credit risk classification according to Note 9.d.

f.2) Breakdown of the Balance of the Provision Expense for Financial Guarantees Provided

Specification	01.01 to 09.30.2021	01.01 to 09.30.2020
(+) Recognition of Expenses with Provision for Financial Guarantees Provided	(1,030,301)	(614,980)
(-) Reversals of Provisions for Financial Guarantees Provided	462,851	181,541
(=) Net Expenses with Provision for Financial Guarantees Provided⁽¹⁾	(567,450)	(433,439)

⁽¹⁾ Includes a prudential provision in percentages higher than the minimum required by CMN Resolution No. 2682, dated 12.21.1999, set up based on an internally established model of credit risk classification according to Note 9.d.

g) Loan Concentration

Specification	09.30.2021		12.31.2020	
	Balance	% of portfolio	Balance	% of portfolio
10 Major debtors	1,728,131	11.65	1,968,710	14.94
50 Major debtors	3,790,962	25.57	3,916,516	29.71
100 Major debtors	4,829,348	32.57	4,765,937	36.16

NOTES TO INDIVIDUAL INTERIM FINANCIAL STATEMENTS OF BANCO DO NORDESTE DO BRASIL S.A.

Quarters and Periods ended September 30, 2021 and 2020 and year ended 2020

Amounts expressed in thousands of reais, unless otherwise stated

- h) In the third quarter of 2021, credits written off as losses were recovered in the amount of R\$82,553 (R\$122,537 as of 09.30.2020). Renegotiations totaled R\$ 758,925 (R\$ 1,827,350 in 2020).

NOTA 10 - Other Credits

Specification	09.30.2021	12.31.2020
Foreign exchange portfolio	393,015	822,414
Income receivable	36,527	27,159
Securities Trading	17	16
Trade notes receivable	37,775	43,444
Total	467,334	893,033
Current	467,309	891,309
Non-Current	25	1,724

a) Foreign exchange portfolio

Specification	09.30.2021	12.31.2020
Assets - Other Credits	393,015	822,414
Exchange Purchased to be Settled	353,986	805,077
Rights on Exchange Sales	28,931	2,424
Advances Received in Local Currency	(21)	-
Income Receivable from Advances Granted	10,119	14,913
Current assets	393,015	822,414
Liabilities - Other obligations (Note 17.b)	35,276	3,695
Exchange Purchase Obligations	294,134	763,438
Exchange Sold to be Settled	29,001	2,419
(Advances on Exchange Contracts - ACC) (Note 9.a.1)	(287,861)	(762,163)
Other Amounts	2	1
Current Liabilities (Note 17.b)	35,276	3,695

b) Foreign Exchange Gains (Losses)

Specification	01.01 to 09.30.2021	01.01 to 09.30.2020
Exchange Income	77,170	567,802
Exchange Expenses	(1,242)	(700)
Total	75,928	567,102

NOTA 11 - Other assets

Specification	09.30.2021	12.31.2020
a) Sundry	1,353,073	1,349,857
Debtors for Escrow Deposits	562,960	558,896
Taxes and contributions to be offset	388,960	538,782
Tax incentive options	26,748	26,748
Advances and Early Salary Payments	39,621	1,776
Payments to be Refunded	4,016	1,384
Amounts receivable - bonus/rebates	47,073	52,144
Sundry Debtors – Domestic	116,692	118,492
Other Amounts	167,003	51,635
b) Allowance for Losses on Other Credits Without Loan Features (Note 9.d)	(26,569)	(27,093)
Total	1,326,504	1,322,764
Current	742,623	747,848
Non-Current	583,881	574,916

**NOTES TO INDIVIDUAL INTERIM FINANCIAL STATEMENTS OF BANCO DO
NORDESTE DO BRASIL S.A.**

Quarters and Periods ended September 30, 2021 and 2020 and year ended 2020

Amounts expressed in thousands of reais, unless otherwise stated

NOTE 12 – Other values and assets

Specification	09.30.2021	12.31.2020
a) Other Receivables	12,635	10,855
Material in Stock	1,298	878
Nonfinancial Assets Held for Sale - Own	605	-
Nonfinancial Assets Held for Sale - Received	10,732	9,977
b) Provisions for Devaluations	(447)	(472)
c) Prepaid Expenses	23,580	32,191
Total	35,768	42,574
Current	35,768	42,574

NOTES TO INDIVIDUAL INTERIM FINANCIAL STATEMENTS OF BANCO DO NORDESTE DO BRASIL S.A.
Quarters and Periods ended September 30, 2021 and 2020 and year ended 2020
Amounts expressed in thousands of reais, unless otherwise stated

NOTE 13 - Investments, property and equipment and intangible assets**a) Investments**

Represented by investments in Shares, Units of Interest, and Artworks and Valuables. Balance at 09.30.2021: R\$ 1,261 (R\$ 1,412 at 12.31.2020).

b) Property and equipment

Specification	12.31.2020	01.01.2021 a 09.30.2021			09.30.2021		
	Accounting balance	Changes			Cost	Accumulated depreciation	Accounting balance
		Additions	Write-offs	Depreciation			
Buildings	84.014	2.717	(158)	(1.299)	267.087	(181.813)	85.274
Data processing system	83.659	25.135	(1.347)	(6.469)	202.160	(101.182)	100.978
Furniture and equipment in use	24.028	3.617	(795)	(2.321)	81.964	(57.435)	24.529
Land	16.969	-	(374)	-	16.595	-	16.595
Facilities	5.529	119	(204)	(78)	18.435	(13.069)	5.366
Communication system	89	53	(11)	(9)	321	(199)	122
Security system	18.375	606	(141)	(287)	18.425	128	18.553
Transportation system	20	-	-	(1)	14.350	(14.331)	19
Total	232.683	32.247	(3.030)	(10.464)	619.337	(367.901)	251.436

c) Intangible assets

Represented by expenses with intangible assets in use. Balance at 09.30.2021: R\$ 1,487 (R\$ 721 at 12.31.2020).

NOTES TO INDIVIDUAL INTERIM FINANCIAL STATEMENTS OF BANCO DO NORDESTE DO BRASIL S.A.

Quarters and Periods ended September 30, 2021 and 2020 and year ended 2020

*Amounts expressed in thousands of reais, unless otherwise stated***NOTA 14 - Deposits, Open Market Funding, Funds from Acceptance and Issue of Securities, Debt Instruments Eligible to Capital and Subordinated Debts****a) Breakdown of Deposits, Funds from Acceptance and Issue of Securities, Debt Instruments Eligible to Capital and Subordinated Debts by Maturity**

Specification	0 to 3 month	3 to 12 month	1 to 3	3 to 5	5 to 15	Over 15 years	Total at 09.30.2021	Total at 12.31.2020
Demand deposits	2,987,525	-	-	-	-	-	2,987,525	853,237
Savings Deposits ⁽¹⁾	1,021,314	-	-	-	-	-	1,021,314	4,050,698
Interbank Deposits	1,974,524	713,828	-	-	-	-	2,688,352	1,996,112
Time Deposits	487,843	802,168	4,495,837	1,509,558	454,053	259,598	8,009,057	8,021,636
Time Deposits	44,507	777,717	2,490,153	1,420,291	364,786	259,598	5,357,052	5,573,275
Interest-Yielding Judicial Deposits	399,638	-	-	-	-	-	399,638	352,525
Finor/Cash and cash Equivalents and Reinvestments -	-	-	2,005,684	89,267	89,267	-	2,184,218	2,024,948
FAT - Funds Available	3	7	-	-	-	-	10	9
FAT - Funds Applied	4,296	8,492	-	-	-	-	12,788	14,828
Other	39,399	15,952	-	-	-	-	55,351	56,051
Funds from Acceptance and Issue of Securities	-	13,949	-	-	-	-	13,949	1,178
Financial Bills - charges	-	13,949	-	-	-	-	13,949	1,178
Debt instruments eligible to capital (Notes 18.a and 18.b)	-	-	-	-	-	1,295,889	1,295,889	1,295,889
Subordinated Debts Eligible for Capital (Note 18.c)	-	-	-	-	-	2,773,689	2,773,689	2,660,982
Total at 09.30.2021	6,471,206	1,529,945	4,495,837	1,509,558	454,053	4,329,176	18,789,775	-
Total at 12.31.2020	6,935,623	1,370,995	4,500,272	1,453,332	465,075	4,154,435	-	18,879,732

⁽¹⁾ During the period, the offer of the "Poupança Corrente" ("Current Savings") product was discontinued, and balances were transferred to other investments at the Bank, notably in Demand Deposit accounts.

NOTES TO INDIVIDUAL INTERIM FINANCIAL STATEMENTS OF BANCO DO NORDESTE DO BRASIL S.A.

Quarters and Periods ended September 30, 2021 and 2020 and year ended 2020

Amounts expressed in thousands of reais, unless otherwise stated

b) Deposits

Specification	09.30.2021	12.31.2020
Demand deposits	2,987,525	853,237
Government deposits	9,117	6,635
Linked Deposits	461,475	263,302
Legal entities	1,256,916	477,880
Individuals	1,253,609	100,136
Other Amounts	6,408	5,284
Savings Deposits	1,021,314	4,050,698
Free savings deposits - Individuals	969,058	2,376,678
Free savings deposits - Legal entities	52,237	1,672,434
From related parties and Financial System Institutions	19	1,584
Other deposits	-	2
Interbank Deposits	2,688,352	1,996,112
Time Deposits	8,009,057	8,021,636
Time Deposits	5,357,052	5,573,275
Interest-Yielding Judicial Deposits	399,638	352,525
Other time deposits	2,252,367	2,095,836
Interest-yielding special deposits/FAT (Notes 28 and 30.a.1)	12,798	14,837
Funds Available (Note 28)	10	9
Protrabalho	10	9
Funds Applied (Note 28)	12,788	14,828
Protrabalho	12,788	14,828
Finor/Cash and cash equivalents and Reinvestments (Law No. 8167/91)	2,184,218	2,024,948
Other Amounts	55,351	56,051
Total	14,706,248	14,921,683
Current	7,987,202	8,305,440
Non-Current	6,719,046	6,616,243

c) Open market funding

Specification	09.30.2021	12.31.2020
Own portfolio	2,310,582	8,728,417
Financial Treasury Bills (LFT)	2,310,582	8,728,417
Total	2,310,582	8,728,417
Current	2,268,241	8,681,024
Non-Current	42,341	47,393

d) Expenses with Market Funding

Specification	01.01 to 09.30.2021	01.01 to 09.30.2020
Funding expenses	(267,748)	(262,099)
Time Deposits	(132,121)	(129,042)
Savings Deposits	(38,572)	(49,554)
Judicial deposits	(8,532)	(8,141)
Interbank Deposits	(28,009)	(24,106)
Special deposits	(50,516)	(42,891)
Funds from acceptance and issue of securities	-	(139)
Other deposits	(9,998)	(8,226)
Expenses with open market funding	(167,139)	(62,779)
Own portfolio	(143,892)	(41,604)
Financial Bills	(23,247)	(21,175)
Total	(434,887)	(324,878)

NOTES TO INDIVIDUAL INTERIM FINANCIAL STATEMENTS OF BANCO DO NORDESTE DO BRASIL S.A.

Quarters and Periods ended September 30, 2021 and 2020 and year ended 2020
Amounts expressed in thousands of reais, unless otherwise stated

NOTE 15 - Borrowings and Onlending

a) Breakdown of Borrowings and Onlending by Maturity

Specification	0 to 3 months	3 to 12 months	1 to 3 years	3 to 5 years	5 to 15 years	Over 15 years	Total at 09.30.2021	Total at 12.31.2020
Foreign borrowings	159,212	207,407	-	-	-	-	366.619	904.882
Domestic onlending	40,524	189,063	358,159	438.331	310.389	109.926	1.446.392	1.213.953
Foreign onlending	-	345,302	144,571	142.959	71.480	-	704.312	711.279
Total at 09.30.2021	199,736	741,772	502,730	581.290	381.869	109.926	2.517.323	-
Total at 12.31.2020	337,618	1,007,867	525,838	421.935	504.286	32.570	-	2.830.114
Current							941,508	1,345,485
Non-Current							1,575,815	1,484,629

b) Domestic onlending - Official Institutions

Specification	Taxa de atualização % a.a.	09.30.2021	12.31.2020
National Treasury	IGP -DI + 2.00	707	614
National Bank for Economic and Social Development (BNDES)	Fixed rate 2.5 to 9.85 TLP + 1.30 TJLP + 1.00 a 1.80 IPCA + 9.41 IGPM 5.00 to 6.40 Exc. Var + 1.80	1,169,933	1.174.358
POC (credit facility granted by the BNDES agents to small and medium-sized companies to buy shares in capital increases)		718,965	722.251
Credit Line for Investment in the Agricultural Sector		450,968	452.107
Fund for Financing the Acquisition of Industrial Machinery and Equipment (FINAME)	Pré 1,5 a 7,00 IGPM 5,00 a 6,40	24,640	38.981
Automatic Program		7,263	13.987
Agricultural Program		17,377	24.994
Fungetur	Selic	251,112	-
Total (Note 30.a.1)		1.446.392	1,213,953
Current		229,587	142,146
Non-Current		1.216.805	1,071,807

c) Borrowings

Specification	Annual restatement rate (%)	09.30.2021	12.31.2020
Foreign borrowings/Foreign currency payables	USD	366.619	904.882
Total		366.619	904.882
Current		366.619	904.882

d) Foreign Onlending

Specification	Taxa de atualização % a.a.	09.30.2021	12.31.2020
BID – Prodetur II	USD + 1.19	428,934	479.439
BID – Other Programs	USD + 1.19	3,230	4.642
Corporação Andina de Fomento – CAF	USD + 0.60	272,148	227.198
Total		704.312	711,279
Current		345.302	298,457
Non-Current		359.010	412,822

NOTES TO INDIVIDUAL INTERIM FINANCIAL STATEMENTS OF BANCO DO NORDESTE DO BRASIL S.A.

Quarters and Periods ended September 30, 2021 and 2020 and year ended 2020

Amounts expressed in thousands of reais. unless otherwise stated

e) Expenses with borrowings and onlending

Specification	01.01 to 09.30.2021	01.01 to 09.30.2020
Expenses with Onlending	(203,695)	(315,851)
Domestic onlending - Official institutions	(153,605)	(103,967)
National Treasury	(93)	(59)
National Bank for Economic and Social Development (BNDES)	(149,260)	(100,312)
Fund for Financing the Acquisition of Industrial Machinery and	(4,252)	(3,596)
Foreign onlending expenses	(50,090)	(211,884)
Expenses on Onlending with Foreign Banks	(59,158)	(401,047)
Expenses with Financial and Development Funds	(467,388)	(511,635)
Expenses on Onlending with Other Financial Institutions	(5,184)	-
Total	(735,425)	(1,228,533)

NOTE 16 – Other financial instruments

Specification	09.30.2021	12.31.2020
a) Securities trading	153	153
b) Financial and Development Funds	19,992,219	15,185,623
FNE	19,048,133	14,300,617
FDNE	626,840	625,252
Merchant Marine Fund (FMM)	92,212	98,942
Finep/Fundeci	33,334	26,407
Pilot Project to Support Agrarian Reform	44,308	43,282
National Rural Property Financing Program	120,965	64,777
Banco da Terra	16,401	17,394
Other	10,026	8,952
c) Debt instruments eligible to capital	1,295,889	1,295,889
d) Subordinated debts eligible to capital	2,773,689	2,660,982
Total	24,061,950	19,142,647
Current	1,382,283	2,720,843
Non-Current	22,679,667	16,421,804

NOTE 17 - Other Liabilities

Specification	09.30.2021	12.31.2020
a) Collection of taxes and other contributions	58,306	675
Funds from Proagro	314	57
Federal taxes received	55,139	-
Tax on Financial Transactions (IOF) payable	829	182
Other taxes and levies	2,024	436
b) Foreign exchange portfolio (Note 10.a)	35,276	3,695
c) Social and statutory	57,627	306,856
Remuneration on Capital Payable	491	242,606
Profit Sharing	57,136	64,250
d) Tax and social security	1,127,393	939,336
Provision for Income Tax and Social Contribution (Note 22.a.2)	1,021,586	831,724
Income Tax	541,699	460,330
social Contribution	479,887	371,394
Taxes and Contributions Payable	105,807	107,612
e) Other	781,008	566,242
Accrued Payments	527,668	400,160
Personnel expenses	316,253	212,030
Other Amounts	148,148	105,562
Interest and charges on debt instruments eligible to capital	63,267	82,568
Other Amounts	253,340	166,082
Total	2,059,610	1,816,804
Current	2,059,610	1,816,804

NOTES TO INDIVIDUAL INTERIM FINANCIAL STATEMENTS OF BANCO DO NORDESTE DO BRASIL S.A.

Quarters and Periods ended September 30, 2021 and 2020 and year ended 2020

Amounts expressed in thousands of reais. unless otherwise stated

NOTA 18 - Debt Instruments Eligible to Capital (Note 29.g.ii)

a) Tier I Referential Equity - Principal Capital:

On 01.19.2016, the Bank and Federal Government entered into a loan agreement in the amount of R\$1,000,000 for purposes of classification as instrument eligible to principal capital, as provided for in article 16 of CMN Resolution No. 4192 of 03.01.2013, amended by CMN Resolution No. 4278 of 12.31.2013 and CMN Resolution No. 4311 of 02.20.2014.

Interest will be settled in an annual lump-sum payment, restated by the Selic rate up to the effective payment date, within 30 days from the payment of dividends referring to P&L determined in the closing balance sheet of the fiscal year.

In case the balances of retained earnings, of income reserves, including legal reserve and capital reserves of the Bank, are not sufficient to absorb its losses calculated upon closing of the balance sheet of the fiscal year, the Bank will be relieved from the remuneration and will use the amounts due as interest overdue and the principal balance, in that order, up to the amount required to offset losses, being considered duly settled, for all purposes, the debt to which the agreement refers up to the amount offset.

Any unpaid charges will not accrue. In the event the payment or dividend credit is not performed (including as interest on equity) until December 31 of the subsequent fiscal year, the financial charges unpaid will no longer be enforceable definitely.

The obligation has no maturity date and it may only be redeemed or repurchased by the issuer upon prior authorization by BACEN.

Specification	Amount issued	Remuneration	Funding date	09.30.2021	12.31.2020
Debt instruments eligible to Principal capital (Note 30.a.1)	1.000.000	Profitability on Equity	01.19.2016	500,000	500,000
Non-Current				500.000	500.000

b) Tier I Referential Equity - Complementary Capital:

In June 2019, the Bank issued 2,667 (two thousand six hundred sixty-seven) Subordinated Financial Bills, without maturity date. Bacen authorized to compose the Tier I Referential Equity, as Complementary Capital, by the funding amount (R\$801,040).

Specification	Amount issued	Remuneration	Funding date	09.30.2021	12.31.2020 ⁽²⁾
Financial Bills ⁽¹⁾	801,040	117% of Selic	06.2019	795.889	795.889
Non-Current				795.889	795.889

⁽¹⁾ Interest paid every six months.

⁽²⁾ In 2020, Financial Bills amounting to R\$5,151 were repurchased

c) Tier II Referential Equity:

Subordinated Debts comprise two funding operations with FNE in the original amounts of R\$600,000 and R\$400,000, maturing on 07.20.2009 and 03.01.2010, respectively.

Specification	09.30.2021	12.31.2020
Fundo Constitucional de Financiamento do Nordeste (FNE)	2,773,689	2,660,982
Funds available	1,506,093	1,855,825
Funds Applied	1,267,596	805,157
Total (Note 30.a.1)	2,773,689	2,660,982

NOTE 19 - Income Received in Advance

Revenue from the strategic commercial partnership agreement entered into with Icatu Seguros, exclusively for the development and sale of Insurance services relating to Life Insurance, Credit Life Insurance and Private Pension Products insurance lines, in the Bank's distribution network. Revenue is deferred for a period of 20 years, which corresponds to the term of the agreement, with the amount corresponding to 1/240ths for each month appropriated to the income statement.

NOTES TO INDIVIDUAL INTERIM FINANCIAL STATEMENTS OF BANCO DO NORDESTE DO BRASIL S.A.

Quarters and Periods ended September 30, 2021 and 2020 and year ended 2020

Amounts expressed in thousands of reais. unless otherwise stated

Specification	09.30.2021	12.31.2020
Opening Balance of Income Received in Advance	200,000	200,000
(-) Recognition for the period ⁽¹⁾	(13,898)	(6,398)
(=) Closing Balance to be Recognized	186,102	193,602
Current	10,000	10,000
Non-Current	176,102	183,602

⁽¹⁾ The appropriation of the first month (May/2020) corresponds to 21/31 of the monthly amount, in view of the date of inflow of the funds.

NOTE 20 – Equity

a) Capital Social

The Bank's capital in the amount R\$ 6,293,460 (R\$ 5,569,988 at 12.31.2020), is represented by 86,371,464 common, book-entry, paid-in shares, with no par value, held as follow:

Specification	09.30.2021		12.31.2020	
	Number of shares	% of Capital	Number of shares	% of Capital
Federal Government	47,830,920	55.38	47,896,415	55.45
FI CAIXA FGEDUC MULTIMARKET	30,205,568	34.97	30,205,568	34.97
BB FGO Investment Fund Shares	6,206,000	7.19	6,206,000	7.19
Other	2,128,976	2.46	2,063,481	2.39
Total	86,371,464	100.00	86,371,464	100.00

At the Extraordinary General Meeting held on 03.31.2021, shareholders approved the capital increase by R\$ 723,472, arising from the incorporation of Statutory Reserves - Reserve for Operational Margin amounting to R\$ 484,372 and Reserve for Complementary Dividend Equalization amounting to R\$ 239,100, without issuing new shares. Capital was changed from R\$ 5,569,988 to R\$ 6,293,460, represented by 86,371,464 common, book-entry, paid-in shares, with no par value. The capital increase was approved by the Central Bank.

b) Revaluation reserve

The amount of R\$ 13,364 (R\$ 13,671 at 12.31.2020) refers to revaluation of property and equipment in use, recognized on 02.26.1993. This reserve will be maintained through its effective realization date either as a result of depreciation, write-off or disposal, pursuant to CMN Resolution No. 3565 of 05.29.2008. In the period, the amount of R\$ 307 (R\$ 55 at 12.31.2020) was transferred to Retained Earnings (Accumulated Losses).

c) Payment of dividends and IOE for year 2020

The Annual General Meeting held on March 31, 2021 approved the distribution of Dividends and payment in the form of Interest on Equity (IOE) for the year ended on 12.31.2020, in the amount of R\$ 242,183. Payment took place on April 12, 2021.

d) Legal reserve

The purpose of the Legal Reserve is to ensure the integrity of Capital, and it is set up based on 5% of the net income determined. In the first six-month period, the amount recorded was R\$ 35,521 (R\$ 50,961 at 12.31.2020).

e) Statutory reserves

- i) Operational Margin: aims at ensuring resources compatible with the development of the Bank's operations. In the first six-month period, the amount recorded was R\$379,910 (R\$542,656 at 12.31.2020).
- ii) Equalization for Complementary Dividends: aims at ensuring resources for payment of dividends complementary to the mandatory minimum dividend. In the first six-month period, the amount recorded was R\$ 126,637 (R\$ 180,885 at 12.31.2020). and
- iii) Special Income reserve: aims at recording the undistributed remuneration of capital, mandatory or proposed, which does not constitute a present obligation as of the balance sheet date, according to Bacen Circular Letter No. 3935, of February 25, 2019. In the six-month period, the amount recorded was R\$ 169,551 (R\$ 0 at 12.31.2020).

NOTES TO INDIVIDUAL INTERIM FINANCIAL STATEMENTS OF BANCO DO NORDESTE DO BRASIL S.A.

Quarters and Periods ended September 30, 2021 and 2020 and year ended 2020

Amounts expressed in thousands of reais. unless otherwise stated

NOTE 21 - Other Operating Income/Expenses

Specification	01.01 to 09.30.2021	01.01 to 09.30.2020
a) Service revenue	1,900,829	1,985,589
Investment fund management	45,386	49,344
Fund and program management	1,372,750	1,464,093
Rendering of services	482,693	472,152
b) Income from bank fees	89,229	73,641
c) Personnel expenses	(1,672,505)	(1,645,681)
Salaries	(913,241)	(894,652)
Social charges	(329,339)	(314,627)
Voluntary Dismissal Incentive Program (PID)	-	(53,007)
Retirement and Pension Plan - DB and VC I Capex Plans	(113,105)	(101,671)
Health care plan - Camed Natural Plan	(180,263)	(144,795)
Life insurance - Post-employment benefit	(21,153)	(20,192)
Benefits, training sessions, fees and compensation of interns	(115,404)	(116,737)
d) Other administrative expenses	(1,124,390)	(985,294)
Data processing	(194,404)	(174,384)
Advertising and publicity	(27,131)	(18,781)
Third-party services ⁽¹⁾	(565,614)	(494,555)
Rents, material and public utilities	(65,783)	(59,388)
Travel	(7,147)	(5,770)
Communications	(14,190)	(13,876)
Depreciation and amortization	(10,464)	(9,275)
Asset maintenance and upkeeping	(38,954)	(37,673)
Surveillance, security and transportation	(71,274)	(66,634)
Promotions, public relations and publications	(3,844)	(4,731)
Financial system services	(38,939)	(33,962)
Specialized technical services	(35,335)	(26,061)
Insurance	(4,434)	(4,390)
Court, notary and attorney's fees	(22,244)	(23,255)
Worker' union dues and Associations	(2,630)	(2,346)
Condominium fees, catering, kitchen and meals	(4,622)	(4,079)
Fundeci	(10,000)	-
Other Amounts	(7,381)	(6,134)
e) Tax expenses (Note 22.e)	(303,694)	(252,232)
COFINS and PIS/PASEP	(267,581)	(217,653)
ISS and IPTU/Improvement tax	(33,685)	(32,287)
Other Amounts	(2,428)	(2,292)
f) FNE Del Credere Commission	1,683,529	1,410,828
g) Other Operating Income	121,192	190,830
Del credere commission on Managed Funds	6,397	6,156
Exchange Losses on Borrowings	27,840	88,878
Reversal of Operating Provisions/Risks on FNE transactions	1,836	3,121
Recovery of charges and expenses	5,055	4,346
Reversal of operational provisions	2,362	8,829
Interest and commissions	-	3,280
Monetary restatement	1,558	1,823
Exchange gains (losses)	-	238
FNE - Recovery of amounts settled by the Bank	47,881	56,071
Other Amounts	28,263	18,088
h) Provision for Financial Guarantees Provided	(567,450)	(433,439)
i) Provision for Contingent Liabilities	(117,891)	(170,094)
j) Other Operating Expenses	(230,336)	(408,014)
Exchange losses on exchange area	(886)	(5,359)
Exchange loss on loans granted	(36,958)	(224,094)
Negative monetary restatement of loans	(58)	(240)
Discounts granted in Renegotiations	(7,961)	(18,922)
Loan Charges	(2,231)	(6,256)
Debt Instruments Eligible to Principal Capital	(63,267)	(51,364)
FNE Remuneration - Available Funds - article 9-A of Law No. 7827	(42,989)	(39,185)
FNE Remuneration - Funds Applied - article 9-A, Law No. 7827	(69,718)	(51,656)
Monetary restatement of Debt Instruments Eligible to Principal Capital	(639)	(3,251)
Other Amounts	(5,629)	(7,687)
Total	(221,487)	(233,866)

(1) These comprise expenses through the 3rd quarter of 2021 amounting to R\$ 473,377 (R\$ 418,698 at 09.30.2020) on behalf of Instituto Nordeste Cidadania (INEC); this refers to a Civil Society Organization of Public Interest ("Oscip") that renders services substantially to the Bank, through the Partnership Terms for the operation of the urban and rural production-oriented microloan programs, in accordance with the provisions of Law No. 9790 of March 23, 1999.

NOTES TO INDIVIDUAL INTERIM FINANCIAL STATEMENTS OF BANCO DO NORDESTE DO BRASIL S.A.

Quarters and Periods ended September 30, 2021 and 2020 and year ended 2020

Amounts expressed in thousands of reais, unless otherwise stated

NOTE 22 - Taxes and contributions

a) Income Tax and Social Contribution

The Bank is subject to the taxable profit regime whereby taxes are computed based on the Bank's accounting records, and income tax and social contribution are paid monthly on an estimated basis. Income tax and social contribution expenses are as follows:

a.1) Specification of the Provision for Income Tax and Social Contribution Expense	Income Tax		Social Contribution	
	01.01 to 09.30.2021	01.01 to 09.30.2020	01.01 to 09.30.2021	01.01 to 09.30.2020
Income Before Income Taxes and Profit Sharing	1,825,385	1,105,728	1,825,385	1,105,728
Statutory profit sharing	(55,108)	(39,347)	(55,108)	(39,347)
Income before income taxes, less profit sharing Statutory / IOE	1,770,277	1,066,381	1,770,277	1,066,381
Permanent additions/exclusions	1,995	(27,203)	534	(28,828)
Temporary additions/exclusions	458,017	267,189	458,017	267,189
Taxable income	2,230,289	1,306,367	2,228,828	1,304,742
Expenses with provision for IRPJ and CSLL – before tax incentives and Tax and revaluation reserve	(557,554)	(326,574)	(479,887)	(251,978)
Deductions (tax incentives)	15,855	9,799	-	-
Provision for IRPJ/CSLL on realization of revaluation reserve	(468)	19	(375)	14
Current IRPJ/CSLL expenses - after tax incentives, revaluation reserve and adjustments to Retained Earnings ⁽¹⁾	(542,167)	(316,756)	(480,262)	(251,964)
Provision for Deferred Taxes and Contributions - arising from tax Credits Recovered and Depreciation	(5,614)	(14,415)	(6,749)	(12,247)
Provision for Income Tax and Social Contribution	(547,781)	(331,171)	(487,011)	(264,211)
IRPJ/CSLL tax credits - Provisions	83,302	85,617	80,294	70,783
Total IRPJ/CSLL	(464,479)	(245,554)	(406,717)	(193,428)
Effective Rate (%)	26.24	23.03	22.97	18.14
a.2) Specification of the provision for IRPJ and CSLL	09.30.2021	12.31.2020	09.30.2021	12.31.2020
Provision for Income Tax and Social Contribution	542,167	455,737	480,262	367,955
Provision for taxes on realization of revaluation Reserve	(468)	25	(375)	19
Provision for Income Tax and Social Contribution	541,699	455,762	479,887	367,974
Taxes recoverable on prepayments, including withholding taxes	(207,710)	(258,113)	(137,698)	(155,019)
Taxes Payable (Recoverable) for the Period	333,989	197,649	342,189	212,955

(1) The balances of current IRPJ and CSLL expenses include an R\$ 11,068 decrease accounted for in 2020, relating to a deduction of expenses for technological innovation incentives for 2019; a R\$ 555 expense recorded based on an adjustment to tax incentives for 2019, as well as complementary adjustments of R\$35 arising from expenses with the Safra Plan for 2018. The balances of current IRPJ and CSLL expenses in 2021 include: 1) a R\$ 706 decrease arising from the reversal of income from retained earnings (accumulated losses) for 2017 and 2018; 2) a R\$544 expense recorded for IRPJ and CSLL, arising from the adjustment of income reversed from retained earnings (accumulated losses), as well as the reversal of Pasep and Cofins, due to the exclusion of income from the Selic rate adjustment, from 2017 to 2020; 3) Complementary adjustments of R\$ 2,685 arising from the change in the CSLL rate from 15% to 20% in 2020, which generated an undue impact, as well as R\$ 37 from miscellaneous expenses for 2015.

b) Reconciliation of IRPJ and CSLL Charges

Specification	09.30.2021	09.30.2020
I) Income before taxes and profit sharing	1,825,385	1,105,728
II) Income and social contribution taxes at statutory rate (45%)	(847,692)	(497,577)
III) Adjustments to determine the effective rate:	(23,504)	58,595
- Profit sharing/IOE	25,391	17,706
- Other income / FNE/Del_Credere/Onlending transactions - Law No.7.827 Article 9-A	(81)	13,785
- Temporary differences – Other nondeductible provisions	(1,403)	85
- Temporary differences – Transactions with reimbursement in more than 10 years	(24,418)	7,866
- Rate difference - CSLL (from 15% to 20%) ⁽¹⁾	-	10,898
- Rate difference – CSLL (from 20% to 25%) ⁽¹⁾	(38,091)	
- Tax incentives	15,013	9,832
- Permanent additions, net	85	(1,577)
IV) Expenses with set-up of provision for income and social contribution taxes	(871,196)	(438,982)
V) Deferred income and social contribution taxes	163,595	156,401
VI) Current income and social contribution taxes	(1,034,791)	(595,383)
VII) Tax Expenses (V + VI)	(871,196)	(438,982)
VIII) Effective income and social contribution tax rate	47.7%	39.7%

NOTES TO INDIVIDUAL INTERIM FINANCIAL STATEMENTS OF BANCO DO NORDESTE DO BRASIL S.A.

Quarters and Periods ended September 30, 2021 and 2020 and year ended 2020

Amounts expressed in thousands of reais. unless otherwise stated

⁽¹⁾ In 2019, and until February 2020, the rate of 15% was in force. As of March 2020, the CSLL rate increased to 20%, according to Amendment to the Federal Constitution No. 105, of November 13, 2019. With Law No. 14183, of July 14 2021, CSLL increased to 25%, as of July 2021, effective through December 2021.

c) Deferred Tax Assets and Liabilities

Specification	09.30.2021		12.31.2020		09.30.2021	12.31.2020
	IRPJ	CSLL	IRPJ	CSLL	Total	
Effect on P&L						
a) Allowances (ALL)						
Opening balance	710,563	568,471	576,129	459,764	1,279,034	1,035,893
Set up	288,926	241,872	430,619	334,245	530,798	764,864
Realization/Reversal	(232,939)	(186,363)	(296,185)	(225,538)	(419,302)	(521,723)
Closing balance	766,550	623,980	710,563	568,471	1,390,530	1,279,034
b) Unearned Income - Operations not Related to Legal Proceedings						
Opening balance	1,385	1,108	2,115	1,661	2,493	3,776
Set up	303	297	729	614	600	1,343
Realization/Reversal	(280)	(224)	(1,459)	(1,167)	(504)	(2,626)
Closing balance	1,408	1,181	1,385	1,108	2,589	2,493
c) Provisions - Extended Transactions						
Opening balance	833	665	1,004	798	1,498	1,802
Set up	43	60	21	18	103	39
Realization/Reversal	(32)	(25)	(192)	(151)	(57)	(343)
Closing balance	844	700	833	665	1,544	1,498
d) Actuarial provisions						
Opening balance	315,282	252,227	280,414	223,378	567,509	503,792
Set up	65,964	52,771	72,727	57,854	118,735	130,581
Realization/Reversal	(53,937)	(40,592)	(37,859)	(29,005)	(94,529)	(66,864)
Closing balance	327,309	264,406	315,282	252,227	591,715	567,509
e) Provision for the Voluntary Dismissal Program ("PID")						
Opening balance	671	537	-	-	1,208	-
Set up	-	-	13,251	10,601	-	23,852
Realization/Reversal	(671)	(537)	(12,580)	(10,064)	(1,208)	(22,644)
Closing balance	-	-	671	537	-	1,208
f) Provisions for Contingencies						
Opening balance	172,572	138,058	139,368	111,349	310,630	250,717
Set up	52,833	42,558	69,928	55,480	95,391	125,408
Realization/Reversal	(36,865)	(29,492)	(36,724)	(28,771)	(66,357)	(65,495)
Closing balance	188,540	151,124	172,572	138,058	339,664	310,630
g) Hedged Item (DFI)						
Opening balance	86	68	-	-	154	-
Set up	473	379	277	221	852	498
Realization/Reversal	(516)	(412)	(191)	(153)	(928)	(344)
Closing balance	43	35	86	68	78	154
Effect on Equity						
i) Securities						
Opening balance	78,908	63,127	130,285	101,144	142,035	231,429
Set up	166,789	133,900	311,173	253,869	300,689	565,042
Realization/Reversal	(156,115)	(125,284)	(362,550)	(291,886)	(281,399)	(654,436)
Closing Balance (Note 7.a.2)	89,582	71,743	78,908	63,127	161,325	142,035
j) Actuarial valuation adjustments						
Opening balance	598,562	478,850	577,129	461,703	1,077,412	1,038,832
Set up	479	383	43,247	34,598	862	77,845
Realization/Reversal	(176,781)	(141,424)	(21,814)	(17,451)	(318,205)	(39,265)
Closing balance	422,260	337,809	598,562	478,850	760,069	1,077,412

NOTES TO INDIVIDUAL INTERIM FINANCIAL STATEMENTS OF BANCO DO NORDESTE DO BRASIL S.A.

Quarters and Periods ended September 30, 2021 and 2020 and year ended 2020

Amounts expressed in thousands of reais, unless otherwise stated

Income tax and social contribution credits recognized and not recognized in assets are broken down as follows:

Specification	Income Tax		Social Contribution	
	09.30.2021	12.31.2020	09.30.2021	12.31.2020
1. Total Temporary Differences	8.188.561	7.666.810	8.188.561	7.666.810
2. Tax Credits on Temporary Differences	2.047.140	1.916.703	2.029.292	1.533.362
3. Tax Credits Recognized in Assets on Provisions	1.706.911	1.799.869	1.379.200	1.439.915
4. Tax credits recognized in assets due to mark-to-market of securities	89.625	78.994	71.778	63.195
5. Total Tax Credits Recognized in Assets (item 3 + item 4) ⁽¹⁾	1.796.536	1.878.863	1.450.978	1.503.110
6. Tax credits not Recognized in Assets (item 2 - item 5) ⁽²⁾	250.604	37.840	578.314	30.252

⁽¹⁾ Recorded in "Tax Credits", in Noncurrent Assets.

⁽²⁾ Not recognized in assets as they do not meet the realization requirements provided for in CMN Resolution No. 3355, of March 31, 2006, and considering a technical study on recognition of deferred tax assets and liabilities prepared every six months.

Total estimated realization of tax credits at 09.30.2021 is as follows:

Period	IRPJ		CSLL		Total	
	Carrying amount	Present value ⁽¹⁾	Carrying amount	Present value ⁽¹⁾	Carrying amount	Present value ⁽¹⁾
2021	68,670	65,551	68,670	65,551	137,340	131,102
2022	207,403	189,141	165,922	151,312	373,325	340,453
2023	168,462	150,886	134,770	120,709	303,232	271,595
2024	157,912	135,927	126,330	108,741	284,242	244,668
2025	130,405	108,625	104,324	86,900	234,729	195,525
2026	275,762	212,674	220,609	170,140	496,371	382,814
2027	74,602	61,960	59,682	49,568	134,284	111,528
2028	68,424	56,067	54,739	44,854	123,163	100,921
2029	66,399	54,296	53,119	43,437	119,518	97,733
2030	55,211	43,800	44,169	35,040	99,380	78,840
From 2030 onwards	523,286	519,667	418,644	415,741	941,930	935,408
Total	1,796,536	1,598,594	1,450,978	1,291,993	3,247,514	2,890,587

⁽¹⁾ For present value calculation purposes, the goal for average Over - Selic rates was considered, projected by Bacen at 09.30.2021.

d) Provisions for Deferred Taxes and Contributions

Specification	09.30.2021		12.31.2020		09.30.2021	12.31.2020
	IRPJ	CSLL	IRPJ	CSLL	Total	
Effect on P&L						
a) Derivative Financial derivatives						
Opening balance	-	-	-	-	-	-
Set up	611	489	7	5	1,100	12
Realization/Reversal	(611)	(489)	(7)	(5)	(1,100)	(12)
Closing Balance (Note 7.c)	-	-	-	-	-	-
b) Arising from Credits Recovered ⁽¹⁾						
Opening balance	166,138	132,910	139,742	111,099	299,048	250,841
Set up	3,475	5,385	28,057	23,140	8,860	51,197
Realization/Reversal	(470)	(773)	(1,661)	(1,329)	(1,243)	(2,990)
Closing balance	169,143	137,522	166,138	132,910	306,665	299,048
c) Deferred Depreciation						
Opening balance	20,206	16,165	16,179	12,923	36,371	29,102
Set up	3,324	2,710	4,679	3,764	6,034	8,443
Realization/Reversal	(715)	(573)	(652)	(522)	(1,288)	(1,174)
Closing balance	22,815	18,302	20,206	16,165	41,117	36,371
Effect on Equity						
d) Revaluation Reserve						
Opening balance	945	756	971	774	1,701	1,745
Set up	-	-	-	-	-	-
Realization/Reversal	(38)	(29)	(26)	(18)	(67)	(44)
Closing balance	907	727	945	756	1,634	1,701
e) Securities						
Opening balance	186,270	149,015	230,471	182,852	335,285	413,323
Set up	280,019	225,180	820,467	656,828	505,199	1,477,295
Realization/Reversal	(420,880)	(336,260)	(864,668)	(690,665)	(757,140)	(1,555,333)
Closing Balance (Note 7.a.2)	45,409	37,935	186,270	149,015	83,344	335,285

⁽¹⁾ Pursuant to article 12 of Law No. 9430 of 12.27.1996.

NOTES TO INDIVIDUAL INTERIM FINANCIAL STATEMENTS OF BANCO DO NORDESTE DO BRASIL S.A.

Quarters and Periods ended September 30, 2021 and 2020 and year ended 2020

Amounts expressed in thousands of reais, unless otherwise stated

Total amounts of provisions for Tax Liabilities, expected to be written off, at 09.30.2021, are as follows:

Exercício	Realization of IRPJ credit		Realization of CSLL		Total	
	Carrying amount	Present value ⁽¹⁾	Carrying amount	Present value ⁽¹⁾	Carrying amount	Present value ⁽¹⁾
2021	19,334	18,682	19,334	18,682	38,668	37,364
2022	31,239	27,007	24,992	21,603	56,231	48,610
2023	32,667	26,427	26,134	21,142	58,801	47,569
2024	28,883	21,966	23,107	17,572	51,990	39,538
2025	23,588	16,909	18,870	13,528	42,458	30,437
2026	18,738	12,662	14,990	10,130	33,728	22,792
2027	15,038	9,579	12,030	7,664	27,068	17,243
2028	9,967	5,985	7,974	4,788	17,941	10,773
2029	5,883	3,330	4,706	2,664	10,589	5,994
2030	3,443	1,837	2,754	1,470	6,197	3,307
From 2030	49,494	43,346	39,595	34,677	89,089	78,023
Total	238,274	187,730	194,486	153,920	432,760	341,650

⁽¹⁾ For present value calculation purposes, the goal for average over - Selic rates was considered, projected by BACEN at 09.30.2021.

e) Tax Expenses

Specification	01.01 to 09.30.2021	01.01 to 09.30.2020
Cofins and Pis/Pasep	(267,581)	(217,653)
ISS and IPTU/Improvement tax	(33,685)	(32,287)
Other Amounts	(2,428)	(2,292)
Total (Note 21.e)	(303,694)	(252,232)

NOTE 23 - Provisions, Contingent Assets, Contingent Liabilities and Legal Obligations - Tax and Social Security

- a) Contingent assets are not accounted for, however, there are two lawsuits in progress for which the likelihood of a favorable outcome is assessed as probable, totaling R\$31,780: the first, in the amount of R\$29,319, refers to a suit for the collection of insurance indemnity; the second, in the amount of R\$ 1,374, refers to the release of undue judicial deposit; and the third, in the amount of R\$ 1,087, refers to a suit for the enforcement of the amount corresponding to the recovery of unduly paid amounts.
- b) The Bank is a party to various ongoing administrative and legal proceedings involving civil, tax, labor and other matters. Bank management understands that the provisions set up are sufficient to cover the likelihood of losses arising from the respective legal and administrative proceedings, as follows:

Provision for Contingencies	09.30.2021		12.31.2020	
	Base Value	Provision	Base value	Provision
b.1) Tax Proceedings (Note 23 g.i)	4,041,852	22,046	3,483,643	20,830
i) Legal Obligation	11,770	11,770	11,481	11,481
ii) Other Obligations - Sundry	4,030,082	10,276	3,472,162	9,349
Probable	10,276	10,276	9,349	9,349
Possible	3,973,553	-	3,420,182	-
Remote	46,253	-	42,631	-
b.2) Labor Claims	699,634	386,745	636,395	359,264
Probable (Note 23 g.ii)	386,745	386,745	359,264	359,264
Possible	139,138	-	124,141	-
Remote	173,751	-	152,990	-
b.3) Civil Proceedings	7,319,776	255,982	9,047,362	223,388
Probable (Note 23 g.iii)	255,982	255,982	223,388	223,388
Possible	2,701,769	-	2,157,136	-
Remote ^{(1) (2)}	4,362,025	-	6,666,838	-
b.4) Other Contingencies (Note 23 g.iv)	1,050,162	92,762	1,046,874	90,135
i) Securitized Transactions	3,375	3,375	3,331	3,331
ii) Other Proceedings	1,046,787	89,387	1,043,543	86,804
Probable	89,387	89,387	86,804	86,804
Possible	944,656	-	904,386	-
Remote	12,744	-	52,353	-

NOTES TO INDIVIDUAL INTERIM FINANCIAL STATEMENTS OF BANCO DO NORDESTE DO BRASIL S.A.

Quarters and Periods ended September 30, 2021 and 2020 and year ended 2020

Amounts expressed in thousands of reais, unless otherwise stated

(¹) Contingent liabilities relating to civil proceedings assessed as remote loss are concentrated in three (03) cases, with balance of R\$ 1,256,787 at 09.30.2021 (R\$ 3,840,558 at 12.31.2020, relating to four proceedings). Breakdown of processes: i) loss of profit and payment of administrative fee, R\$ 557,140 at 09.30.2021 (R\$ 474,289 at 12.31.2020); ii) recovery of unduly paid amounts, pain and suffering and loss of profit, R\$ 384,843 at 09.30.2021 (R\$ 327,613 at 12.31.2020); iii) indemnity for property damage, pain and suffering, loss of profits and payment of attorney's fees, R\$ 314,804 at 09.30.2021 (R\$ 267,990 at 12.31.2020).

(²) The contingency of the civil group lawsuit that dealt with extraordinary contribution of post-employment benefit and payment of attorney's fees, which amounted to R\$ 2,770,666 at 12.31.2020, was dismissed due to the termination of the lawsuit in April 2021.

- c) The Bank is involved in lawsuits handled by outside attorneys, most of which relate to loan collection actions, whose assessment of the provision for contingent liabilities is performed by its Legal Department.
- d) Tax proceedings classified as Legal Obligation pursuant to the terms of Bacen Circular Letter No. 3429 of 02.11.2010, whose amounts were presented in the table above, challenge federal and municipal taxes
- e) Below is a brief description of proceedings to which the Bank is party, involving significant contingent liabilities assessed as possible risk of loss:

Tax

The amount of contingent liabilities related to tax claims is concentrated in five (05) lawsuits, four of which seek to cancel a tax assessment notice and one addresses the cancellation of a tax debt. At 09.30.2021, estimated financial losses amount to R\$ 3,540,551 (R\$ 3,029,944 at 12.31.2020).

Other proceedings

The contingent liability amount related to other proceedings is concentrated in one (01) accountability proceeding with a request for return of unduly paid amounts, which, at 09.30.2021, amounts to R\$ 1,019,834, of which R\$ 932,464 is classified as possible risk of loss and R\$ 87,370 as probable (R\$985,000 at 12.31.2020, R\$ 900,615 of which classified as possible risk of loss and R\$ 84,385 as probable).

Civil

Civil proceeding claiming payment of fine and compensation for pain and suffering. At 09.30.2021, estimated losses amount to R\$ 703,148, of which R\$ 702,939 are assessed as possible risk of loss and R\$ 209 are assessed as probable risk of loss (R\$ 598,583, of which R\$ 598,405 are assessed as possible risk of loss and R\$ 178 are assessed as probable risk of loss, at 12.31.2020).

Civil proceeding claiming payment of fine and compensation for pain and suffering. At 09.30.2021, estimated loss amounts to R\$ 313,872 (R\$ 115,744 at 12.31.2020).

Civil proceeding claiming compensation for pain and suffering and payment of fees. At 09.30.2021, estimated loss amounts to R\$ 230,233 (R\$ 195,995 at 12.31.2020).

Civil proceeding claiming compensation for pain and suffering and consequential damages. At 09.30.2021, estimated loss amounts to R\$ 111,022 (R\$ 94,512 at 12.31.2020).

Civil proceeding claiming payment of attorney's fees. At 09.30.2021, estimated loss amounts to R\$ 109,850 (R\$ 93,514 at 12.31.2020).

Civil proceeding claiming recovery of unduly paid amounts, payment of fine, funds pending drawdown and attorney's fees. At 09.30.2021, estimated losses amount to R\$ 76,820, of which R\$ 74,241 are assessed as possible risk of loss and R\$ 2,579 are assessed as remote risk of loss (R\$ 65,396, of which R\$ 63,201 are assessed as possible risk of loss and R\$ 2,195 is assessed as remote risk of loss, at 12.31.2020).

Civil proceeding filed in 2014 related to post-employment benefits. At 09.30.2021, estimated loss amounts to R\$ 47,787 (R\$ 56,908 at 12.31.2020).

NOTES TO INDIVIDUAL INTERIM FINANCIAL STATEMENTS OF BANCO DO NORDESTE DO BRASIL S.A.

Quarters and Periods ended September 30, 2021 and 2020 and year ended 2020
Amounts expressed in thousands of reais, unless otherwise stated

f) Judicial and appeal deposits made to guarantee legal and administrative proceedings are as follows:

Specification	09.30.2021	12.31.2020
Labor Claims	197,684	189,405
Tax Proceedings	49,578	48,020
Civil Proceedings	276,251	282,371
Other claims	47	47
Counter-guarantees - IDB Onlending	39,400	39,053
Total	562,960	558,896

Change in Provisions

g) Tax, Labor, Civil and Other

Specification	09.30.2021					12.31.2020				
	Opening balance	Set up	Reversal	Payment	Closing balanc	Opening balance	Set up	Reversal	Payment	Closing balance
i) Tax proceedings (Note 23.b.1)	20,830	9,194	(6,357)	(1,621)	22,046	17,815	4,292	(1,275)	(2)	20,830
ii) Labor claims (Note 23.b.2)	359,264	55,965	(16,256)	(12,228)	386,745	334,025	106,836	(22,773)	(58,824)	359,264
iii) Civil (Note 23.b.3)	223,388	148,205	(75,656)	(39,955)	255,982	176,738	104,804	(33,575)	(24,579)	223,388
iv) Others (Note 23.b.4)	90,135	4,279	(1,610)	(42)	92,762	33,860	59,414	(3,129)	(10)	90,135
Total	693,617	217,643	(99,879)	(53,846)	757,535	562,438	275,346	(60,752)	(83,415)	693,617

NOTE 24 - Employee and officer compensation (in Brazilian reais)

a) Monthly Employee Compensation

Gross Compensation ⁽¹⁾	09.30.2021	12.31.2020
Maximum	49,382.73	44,501.01
Minimum	2,136.47	1,925.25
Average	13,588.94	12,056.04

⁽¹⁾ Includes overtime (including night shift premium), when actually incurred.

b) Compensation paid to the Executive Board, Board of Directors and Supervisory Board for the period

Specification	01.01 to 09.30.2021	01.01 to 12.31.2020	01.01 to 09.30.2021	01.01 to 12.31.2020	01.01 to 09.30.2021	01.01 to 12.31.2020
	Executive Board		Board of Directors		Supervisory Board	
Highest individual compensation ⁽²⁾	899,594.27	758,347.23	53,126.28	70,835.04	40,709.88	66,492.72
Lowest individual compensation ⁽³⁾	639,037.27	758,347.23	53,126.28	54,279.84	40,709.88	54,279.84
Average individual compensation	695,803.37	944,990.57	48,423.87	67,321.06	44,000.66	59,164.99
Number of members ⁽⁵⁾	7.00	7.50	5.33	5.17	3.67	5.00

⁽¹⁾ Amounts approved at the General Meeting.

⁽²⁾ Amount computed without any exclusion, considering all compensation amounts recognized for the period.

⁽³⁾ Amount reached after excluding all those who have not served in their position during the entire period.

⁽⁴⁾ This corresponds to the total compensation for the period paid by each board divided by the number of members.

⁽⁵⁾ The number of members corresponds to the annual average number of members of each board calculated on a monthly basis.

At 09.30.2021, the Bank had 6,694 employees (6,684 at 12.31.2020), a 0.15% headcount increase.

NOTE 25 – Post-Employment Benefits

Pursuant to CMN Resolution No. 4877, which approved Accounting Pronouncement CPC 33 (R1) - Employee Benefits, the accounting practices and procedures adopted by the Bank regarding post-employment benefit are presented below.

The actuarial remeasurements of the Benefit Plans offered by the Bank were carried out by Atuaria Consultoria e Assessoria Empresarial Ltda., company engaged for that purpose.

NOTES TO INDIVIDUAL INTERIM FINANCIAL STATEMENTS OF BANCO DO NORDESTE DO BRASIL S.A.

Quarters and Periods ended September 30, 2021 and 2020 and year ended 2020
Amounts expressed in thousands of reais, unless otherwise stated

a) Description of the Plan Benefits

a.1) Private Pension Plans

The Bank sponsors two complementary pension plans, a Defined Benefit (DB) plan and a Variable Contribution (DB + VC) plan both managed by Caixa de Previdência dos Funcionários do Banco do Nordeste do Brasil (Capef), a closed-ended private pension plan entity that provides complementary retirement benefits.

a.1.1) Defined Benefit Plan

The DB plan, which is closed to new participants since 11.26.1999, offers to its participants supplementary retirement benefits based on the contribution period, age and disability, as well as supplementary pension and savings plans to their dependents. In general terms, to the current participants, the DB plan benefits are calculated based on the difference between the employees' contribution salary and the INSS retirement benefit, weighted by the number of contributions paid to the plan, limited to 360, including any working hours extension, weighted by the number of contributions paid thereon, all effective since July 1997 and projected in accordance with the plan regulation up to the date of the participant's retirement.

a.1.2) Variable Contribution I Plan

The VC I plan, classified as a variable contribution, combines the characteristics of the Defined Contribution (DC) plan and of the Defined Benefit (DB) plan. This plan offers to its participants supplementary retirement benefits based on the contribution period, age and disability, as well as supplementary pension and savings plans to their dependents.

The scheduled retirement benefits of the VC I plan are calculated based on the balance of the individual account for each participant on the date of retirement and are paid in two phases, as follows: the first phase as annuity within the deadline established under the Defined Contribution (DC) plan and the second phase as life annuity under the Defined Benefit (DB) plan.

The VC I Plan may only present actuarial deficit or surplus after the beginning of the concession of unplanned benefits, disability and death, or planned benefits in the life annuity phase. The VC I plan is supported by the Actuarial Solvency Fund that will be used to cover any future actuarial insufficiency of mutual pension plan portfolios, as well as supported by the Mutual Fund for Risk Benefits, in order to supply the payment of complementary capital in case of disability or death of the participant, referring to the insurance coverage of the benefits resulting from these events.

a.2) Health care plan

The Bank is the sponsor of a health care plan managed by Caixa de Assistência dos Funcionários do Banco do Nordeste do Brasil (Camed), whose primary purpose is to provide health care to its associate participants and their dependents, through granting of subsidies to cover or reimburse expenses incurred in connection with health promotion, protection and recovery.

The Natural Plan is funded primarily by contributions made by the associate participants, contributions related to the enrollment of natural dependents, financial protection and emergency service fees, financial co-payment made by each associate participant for services utilized and matched contributions from the Bank.

a.3) Group life insurance

The Bank's benefits policy to its employees comprises collective policy agreement of group life insurance intended for its employees and retired former employees. Such policy provides basic coverage for death by natural and accidental causes and additional coverage for disability caused by accident and disease. Insurance premiums are determined by applying rates defined in contract. The employees contribute with 50% of this premium amount and the Bank with the remaining 50%. Retirees are responsible for full payment of the premium. Every quarter, the Bank actuarially assesses the benefit that consists of indirect subsidy to current retirees.

a.4) Governance

The following statutory boards are responsible for the management and oversight of Capef: Decision-Making Board, Executive Board and Supervisory Board. The Decision-Making Board is a board for top-tier decision and guidance and shall primarily define the Capef's management policy and benefit plans. The Executive Board is the Capef's management board responsible for the execution, by itself or other, of the general guidelines and standards set by the Decision-Making Board and other provisions contained in the relevant legislation, in Capef's charter, benefit plan regulations, covenants and adherence terms. The Supervisory Board is the internal control board and shall mainly monitor and oversee CAPEF activities.

Camed statutory boards are: Social Board, Decision-Making Board, Executive Board and Supervisory Board. The Social Board composed of associate participants is the supreme decision-making board empowered to resolve all matters and business related to the full operation and development of Camed. The Camed's Decision-

NOTES TO INDIVIDUAL INTERIM FINANCIAL STATEMENTS OF BANCO DO NORDESTE DO BRASIL S.A.

Quarters and Periods ended September 30, 2021 and 2020 and year ended 2020
Amounts expressed in thousands of reais, unless otherwise stated

Making Board is a board for monitoring and top-tier administrative decision. The Executive Board is responsible for the execution, by itself or other, of the general guidelines and standards set by the Decision-Making Board and other provisions contained in the relevant legislation, in Camed's charter and internal regulations. The Supervisory Board is the supervisory board of Camed's management acts and shall essentially monitor and direct the company's activities.

The members of the statutory boards of the two Entities are chosen in order to confer representativeness to the Participants, Vested Beneficiaries and to the Sponsors, based on the criteria established in their Charters.

a.5) Strategies for Crosschecking Assets and Liabilities

Capef counts on specific areas for investment management in addition to management advisory services that strengthens the monitoring of investment risks. Investments are monitored in order to check issues focused on classification, returns on assets and follow-up of the evolution of the plan's actuarial goal. Studies are conducted aiming to assist the plan's administrators in choosing the most suitable portfolio to their goals, taking into consideration the characteristics and peculiarities of the assets and the plan's financial position, allowing long-term investments, without compromising the obligations or the achievement of the actuarial goal.

Camed has financial instruments to fund its activities or invest its funds available. The risks associated with these instruments are managed through conservative strategies, intended to ensure liquidity, profitability and safety. Risk management monitors the changes in exposure scenarios to which CAMED is subject.

b) Past due Obligations and Contributions Due

At 09.30.2021, the Bank has no past due obligations or contributions due referring to the pension plans, DB and VCI, health care plan, Natural plan, and the group life insurance, neither informal practices that originate constructive obligations that may give rise to constructive obligations to be included in the measurement of the defined benefit obligation.

c) Contribution Ratio (Participants/Sponsor)

At 09.30.2021, the ratio of participants' contributions to Bank contributions meets the parity set by Resolution No. 9 of 10.08.1996 of the Department for Coordination and Control of State-Owned Entities (CCE), with a contribution ratio of 1:1 (1:1 at 12.31.2020)

d) Risk exposure

The Bank's Actuarial Liability, which records the obligations on Defined Benefit, Variable Contribution I, Natural and Group Life Insurance plans is mainly exposed to the following risks:

Plan	Type of Risk	Risk Description
DB/ VC I Natural/Group life insurance	Actuarial Risk	This is the risk of the final cost of the benefits acquired to be greater than the expected benefits. The Bank has no alternative but to increase its contributions or persuade participants to accept a reduction in benefits.
DB/ VC I/ Natural	Investment risk	This is related to changes in interest rates and asset prices that impact the economic and financial performance of the benefit plan. If the plans' actual investment earnings are lower than the expected return, this may lead to an increase in the actuarial liability.
DB/ VC I Natural/Group life insurance	Actuarial assumptions risks	This is related to the adoption of actuarial assumptions inappropriate to the plans, upon calculating the present value of the defined benefit obligation, resulting in a material impact on the actuarial liability.
DB/ VC I Natural/Group life insurance	Discount rate	The actuarial liability is calculated by adopting a discount rate defined based on government securities earnings (NTN-B), according to item 83 of CPC 33 (R1). Decrease in these securities earnings results in an increase in the actuarial liability.
DB/ VC I Natural/Group life insurance	Life expectation risks	Post-employment benefit plans offer life annuity benefits, therefore, an increase in life expectancy results in an increase in actuarial liabilities for the DB, VC I and Natural plans, and a decrease in actuarial liabilities for the Group Life Insurance.

NOTES TO INDIVIDUAL INTERIM FINANCIAL STATEMENTS OF BANCO DO NORDESTE DO BRASIL S.A.

Quarters and Periods ended September 30, 2021 and 2020 and year ended 2020
Amounts expressed in thousands of reais, unless otherwise stated

e) Remeasurement of Actuarial Calculations

At 09.30.2021, remeasurements were conducted for the DB and Natural plans, as well as for the Group Life Insurance. For VC I Plan, which does not record Actuarial Liabilities, there was no remeasurement, so that the information presented at 09.30.2021 corresponds to the data from the remeasurement that took place in June 2021, plus the monthly changes, by accrual period, from July to September 2021.

f) Number of Participants of the Post-Employment Benefit

Specification	DB	VC I	CAMED	INSURANCE
Participants	1,111	5,390	6,071	4,665
Vested participants (retirees and pensioners)	5,125	391	5,246	3,597
TOTAL	6.236	5.781	11.317	8.262

g) Assumptions used

g.1) Demographic assumptions

Demographic assumptions used in the calculation of plan obligation are based on those adopted in actuarial valuations in the scope of Capef, based on statistical studies and adequacy of hypotheses, prepared by specialized advisory firms engaged by that entity. For the Natural plan, the demographic assumptions of the DB plan are used, while for the Group Life Insurance the demographic assumptions used are those of the VC I plan, considering the population characteristics

Specification	DB (Capef) and Natural (Camed) Plans	
	09.30.2021	12.31.2020
Mortality tables		
Active/Retirees	RP2000 M&F Proj 2020 – Smoothed by 20%, segregated by gender	RP2000 M&F Proj 2020 – Smoothed by 20%, segregated by gender
Disabled people	IAPC Weak	IAPC Weak
Disability table	Hunters (Smoothed by 85%)	Hunters (Smoothed by 85%)

Specification	VC I (Capef) plan and Life Insurance	
	09.30.2021	12.31.2020
Mortality tables		
Active/Retirees	RP 2000 Proj. 2020 – Segregated by gender (Smoothed by 10%)	RP 2000 Proj. 2020 – Segregated by gender (Smoothed by 10%)
Disabled people	IAPC Weak	IAPC Weak
Disability table	Muller (Smoothed by 85%)	Muller (Smoothed by 85%)

g.2) Financial assumptions

Specification	Capef (% a.a.)			
	DB Plan		CV I Plan	
	09.30.2021	12.31.2020	09.30.2021	12.31.2020
Nominal discount rate for the actuarial obligation	7.94	7.03	7.82	7.65
Effective discount rate for the actuarial obligation	4.80	3.30	4.43	3.90
Average annual inflation rate	3.00	3.61	3.25	3.61
Nominal rate of salary increase ^{(1) (2)}	4.03	4.65	-	-
Nominal rate of benefit increases	3.00	3.61	3.25	3.61

⁽¹⁾ DB Plan: the actual rate of salary increase of 1% is applied until the participant reaches the expected date for retirement (360 contributions).

⁽²⁾ VC I Plan: the actual salary increase projection of each participant follows the rules of the Bank's positions and salary plan

NOTES TO INDIVIDUAL INTERIM FINANCIAL STATEMENTS OF BANCO DO NORDESTE DO BRASIL S.A.

Quarters and Periods ended September 30, 2021 and 2020 and year ended 2020

Amounts expressed in thousands of reais, unless otherwise stated

Specification	Camed (% p.a.)		Life insurance	
	Natural Plan		09.30.2021	12.31.2020
	09.30.2021	12.31.2020		
Nominal discount rate for the actuarial obligation	8,12	7,65	8,12	7,65
Effective discount rate for the actuarial obligation	4,97	3,89	4,97	3,90
Average annual inflation rate	3,00	3,61	3,00	3,61
Nominal rate of salary increase ⁽¹⁾	4,03	4,65	4,03	4,65
Nominal rate of benefit average increase ⁽¹⁾⁽²⁾	1,70	1,84	4,03	4,65
Rate of increase in health care costs due to aging (aging factor)	3,75	3,84	Not applicable	Not applicable

⁽¹⁾ In the case of life insurance, this refers to a projection of increase in insured capital of assets.

⁽²⁾ In the case of the Natural plan, this refers to the projection of increased medical costs (HCCTR). At 09.30.2021, a health care inflation rate was calculated for the Natural plan, considering the plan experience in the last ten (10) years. The rate found was 1.70% (1.84% at 12.31.2020), above the aging factor and price overall inflation, and decreases by 0.31 percentage points (p.p.) in the 2nd and 3rd years, and by 0.08 p.p. in the 4th year, remaining at 1% p.a. as of the fourth (4th) year.

g.3) The future inflation rate is used in the Present Value Calculation of the Actuarial Obligation, intended for measurement of the inflation floating arising from the freeze, in annual cycles, of future contributions and benefits. This calculation allows the occurrence of inflation process of equal charge for all salary, union, social security and economic variables of the plan.

g.4) The Projected Unit Credit Method is used as the actuarial valuation method in order to determine the obligation present value, the current service cost and, when necessary, the past service cost.

g.5) The discount rate is equivalent to the expected return of the National Treasury Notes (NTN-B), for the duration of the plans, in accordance with the methodology provided in item 83 of Accounting Pronouncement CPC 33 (R1), approved by CMN Resolution No. 4877. At 09.30.2021, the following duration of the plans was determined: for Capef DB plan: 8.96 years (10.08 years at 12.31.2020); for Capef VC I Plan: 19.47 years (18.05 years at 12.31.2020); for Natural Plan: 15.92 years (17.69 years at 12.31.2020); and for Life Insurance: 15.56 years (16.83 years at 12.31.2020).

h) Liability Recognized in the Individual Interim Financial Statements:

h.1) Private Pension Plans

Specification	Capef - Private pension plans			
	DB Plan		VC I Plan	
	09.30.2021	12.31.2020	09.30.2021	12.31.2020
1. Present Value of Actuarial Obligation ⁽¹⁾	(5,071,201)	(5,603,746)	(48,890)	(37,751)
1.1. Obligation relating to vested participants	(4,374,355)	(4,697,743)	(44,594)	(33,281)
1.2. Obligation relating to active participants	(696,846)	(906,003)	(4,296)	(4,470)
2. Fair value of plan assets	4,108,823	4,510,677	101,573	91,375
3. Asset Ceiling Effect	-	-	(52,683)	(53,624)
4. Liability recognized in the individual interim financial statements	(962,378)	(1,093,069)	-	-

⁽¹⁾For the VC I plan, the amounts refer to unplanned benefits (DB Portion), which have characteristics of a defined benefit plan.

h.2) Health care plan and group life insurance

Specification	Camed		Life insurance	
	Natural Plan		09.30.2021	12.31.2020
	09.30.2021	12.31.2020		
1. Present value of actuarial obligation	(2,030,470)	(2,359,572)	(296,079)	(368,074)
1.1. Obligation relating to vested participants	(1,478,057)	(1,641,370)	(238,412)	(272,096)
1.2. Obligation relating to active participants	(552,413)	(718,202)	(69,104)	(98,665)
1.3. Cross-subsidy	-	-	11,437	2,687
2. Fair value of plan assets	191,821	165,335	-	-
3. Liability recognized in the individual interim financial statements	(1,838,649)	(2,194,237)	(296,079)	(368,074)

NOTES TO INDIVIDUAL INTERIM FINANCIAL STATEMENTS OF BANCO DO NORDESTE DO BRASIL S.A.

Quarters and Periods ended September 30, 2021 and 2020 and year ended 2020
Amounts expressed in thousands of reais, unless otherwise stated

i) Reconciliation of Opening and Closing Balances of the Present Value of Obligation

Specification	Capef			
	DB Plan		VC I Plan	
	09.30.2021	12.31.2020	09.30.2021	12.31.2020
1. Present value of actuarial obligation at the beginning of the period	(5,603,746)	(5,647,446)	(37,751)	(32,359)
2. Interest cost	(286,047)	(354,042)	(2,142)	(2,326)
3. Current service cost	(7,100)	(11,990)	(119)	(132)
4. Benefits paid by the plan	367,839	462,791	516	842
5. Vested participant contributions (retirees and pensioners)	(58,069)	(79,670)	-	-
6. Reversal of the contribution balance from DC portion to DB portion of the plan	-	-	(7,688)	(42,558)
7. Remeasurements of actuarial gains (losses) arising from	515,922	26,611	(1,706)	38,782
7.1. Experience adjustments	(249,529)	(35,487)	(3,623)	34,096
7.2. Changes in financial assumptions	753,219	248,977	1,917	1,251
7.3. Changes in biometric assumptions - Tables	-	(184,204)	-	3,390
7.4. Voluntary Dismissal Incentive Program (PID)	-	(2,675)	-	14
7.5. Changes in other assumptions – Family structure	-	-	-	31
7.6. Changes in postponement of retirement	12,232	-	-	-
8. Presente value of actuarial obligation at the end of the period	(5,071,201)	(5,603,746)	(48,890)	(37,751)

Specification	Camed		Life insurance	
	Natural Plan			
	09.30.2021	12.31.2020	09.30.2021	12.31.2020
1. Present value of actuarial obligation at the beginning of the	(2,359,572)	(2,293,236)	(368,074)	(363,829)
2. Interest cost	(133,071)	(162,490)	(20,957)	(26,086)
3. Current service cost	(23,562)	(42,489)	(2,374)	(3,804)
4. Benefits paid by the plan ⁽¹⁾	73,843	73,711	8,224	10,077
5. Vested participant contributions (retirees and pensioners)	(21,780)	(27,244)	(2,676)	(3,262)
6. Reversal of the contribution balance from DC portion to	8,410	11,363	-	-
7. Remeasurements of actuarial gains (losses) arising from:	425,262	80,813	89,778	18,830
7.1. experience adjustments	108,406	101,921	17,794	5,971
7.2. changes in financial assumptions	367,295	177,297	53,788	27,495
7.3 changes in the monthly fee for dependents and financial protection rate	12,740	-	-	-
7.4. changes in the medical inflation rate (HCCTR) and average medical costs	(65,295)	(33,590)	-	-
7.5. changes in biometric assumptions – Tables)	-	(164,430)	-	(14,615)
7.6. Voluntary Dismissal Incentive Program (PID)	-	(385)	-	(21)
7.7. Changes in postponement of retirement	2,116	-	(200)	-
7.8. Restatement of premiums	-	-	18,396	-
8. Presente value of actuarial obligation at the end of the period	(2,030,470)	(2,359,572)	(296,079)	(368,074)

⁽¹⁾Camed – Natural Plan: net of co-participations paid by associate .

j) Reconciliation between opening and closing balances of the fair value of plan assets

Specification	Capef			
	DB Plan		VC I Plan	
	09.30.2021	12.31.2020	09.30.2021	12.31.2020
1. Fair value of plan assets at the beginning of the period	4,510,677	4,715,575	91,375	88,627
2. Interest income	230,747	295,431	5,286	6,489
3. Employer contributions ⁽¹⁾	58,104	79,700	1,072	1,306
4. Active participants' contributions	23	66	961	1,312
5. Vested participants' contributions	58,069	79,670	-	-

NOTES TO INDIVIDUAL INTERIM FINANCIAL STATEMENTS OF BANCO DO NORDESTE DO BRASIL S.A.

Quarters and Periods ended September 30, 2021 and 2020 and year ended 2020
Amounts expressed in thousands of reais, unless otherwise stated

6. Reversal of the contribution balance from DC portion to DB portion of the plan	-	-	7,688	42,558
7. Benefits paid by the plan	(367,839)	(462,791)	(516)	(842)
8. Gains/(losses) on assets ⁽²⁾	(380,958)	(196,974)	(4,293)	(48,075)
9. Fair value of plan assets at the end of the period	4,108,823	4,510,677	101,573	91,375

⁽¹⁾ Capef – DB Plan, contributions related to active and vested participants;

⁽²⁾ Return on plan assets, excluding amount included in net interest on the net defined benefit liability (asset).

Specification	Camed		Life insurance	
	Natural Plan		09.30.2021	12.31.2020
	09.30.2021	12.31.2020		
1. Fair value of plan assets at the beginning of the period	165,335	158,763	-	-
2. Interest income	8,464	11,100	-	-
3. Employer contributions ⁽¹⁾	57,488	84,973	3,375	4,185
4. Return of Sponsor's contributions	(4,436)	(40,792)	-	-
5. Active participants' contributions	963	762	2,173	2,630
6. Vested participants' contributions	21,780	27,244	2,676	3,262
7. Administrative expenses paid by the plan	(8,410)	(11,363)	-	-
8. Benefits paid by the plan ⁽²⁾	(73,843)	(73,711)	(8,224)	(10,077)
9. Gains/(losses) on assets ⁽³⁾	24,480	8,359	-	-
10. Fair value of plan assets at the end of the period	191,821	165,335	-	-

⁽¹⁾ Camed - Natural Plan: contributions related to associate participants and retirees/pensioners;

⁽²⁾ Camed – Natural Plan: net of co-participations paid by associate participants; and

⁽³⁾ Return on plan assets, less amounts included in net interest on the net amount of liabilities (assets) of the defined benefit.

k) Reconciliation Between Opening and Closing Balances of the Asset Ceiling Effect

Specification	Capef	
	VC I Plan	
	09.30.2021	12.31.2020
1. Asset ceiling effect at the beginning of the	(53,624)	(56,268)
2. Interest on asset ceiling effect	(3,144)	(4,163)
3. Remeasurement of asset ceiling effect	4,085	6,807
4. Asset ceiling effect at the end of the period	(52,683)	(53,624)

l) Reconciliation of the Present Value of Obligation and of the Plan Assets Value with Assets and Liabilities Recognized in the Balance Sheet

Specification	Capef			
	DB Plan		VC I Plan	
	09.30.2021	12.31.2020	09.30.2021	12.31.2020
1. Present value of actuarial obligation at the end of the period	(5,071,201)	(5,603,746)	(48,890)	(37,751)
2. Fair value of plan assets at the end of the period	4,108,823	4,510,677	101,573	91,375
3. Surplus (deficit) of the plan (item 1 - item 2)	(962,378)	(1,093,069)	52,683	53,624
4. Asset ceiling effect at the end of the period	-	-	(52,683)	(53,624)
5. Liability recognized at period end	(962,378)	(1,093,069)	-	-

Specification	Camed		Life insurance	
	Natural Plan		09.30.2021	12.31.2020
	09.30.2021	12.31.2020		
1. Present value of actuarial obligation at the end of the period	(2,030,470)	(2,359,572)	(296,079)	(368,074)
2. Fair value of plan assets at the end of the period	191,821	165,335	-	-
3. Surplus (deficit) of the plan (item 1 - item 2)	(1,838,649)	(2,194,237)	(296,079)	(368,074)
4. Liability recognized at period end	(1,838,649)	(2,194,237)	(296,079)	(368,074)

NOTES TO INDIVIDUAL INTERIM FINANCIAL STATEMENTS OF BANCO DO NORDESTE DO BRASIL S.A.

Quarters and Periods ended September 30, 2021 and 2020 and year ended 2020
Amounts expressed in thousands of reais, unless otherwise stated

m) Amounts recognized in P&L for the period

Specification	Capef			
	DB Plan		VC I Plan	
	01.01 to 30.09.2021	01.01 to 30.09.2020	01.01 to 30.09.2021	01.01 to 30.09.2020
1. Current service cost, net	(7,077)	(8,926)	842	859
1.1. Service cost	(7,100)	(8,992)	(119)	(99)
1.2. Active participants' contributions	23	66	961	958
2. Net interest	(55,300)	(43,959)	-	-
2.1. Interest expense	(286,047)	(265,532)	(2,142)	(1,744)
2.2. Interest income	230,747	221,573	5,286	4,867
2.3. Interest on ceiling effect	-	-	(3,144)	(3,123)
3. Amounts recognized in P&L (item 1 + item 2)	(62,377)	(52,885)	842 ⁽¹⁾	859 ⁽¹⁾
4. DB Plan administrative expenses	(4,377)	(4,102)	-	-
5. VC I Plan contributions (DC portion)	-	-	(46,489)	(44,771)
6. Transferred employees' contributions, refunded to the Bank	-	-	138	87
7. Amount allocated to expenses	(66,754)	(56,987)	(45,509)	(43,825)

⁽¹⁾ Amounts recorded under "Reversal of operating provisions".

Specification	Camed Natural Plan		Life insurance	
	01.01 to 09.30.2021	01.01 to 09.30.2020	01.01 to 09.30.2021	01.01 to 09.30.2020
1. Current service cost, net	(22,599)	(31,296)	(201)	(632)
1.1. Service cost	(23,562)	(31,867)	(2,374)	(2,853)
1.2. Active participants' contributions	963	571	2,173	2,221
2. Net interest	(124,607)	(113,542)	(20,957)	(19,565)
2.1. Interest expense	(133,071)	(121,867)	(20,957)	(19,565)
2.2. Interest income	8,464	8,325	-	-
3. Amounts recognized in P&L (item 1 + item 2)	(147,206)	(144,838)	(21,158)	(20,197)
4. Transferred employees' contribution, refunded to the Bank	59	44	5	4
5. Amount allocated to expenses	(147,147)	(144,794)	(21,153)	(20,193)

n) Amounts recognized in Equity

Specification	Capef			
	DB Plan		VC Plan I	
	01.01 to 09.30.2021	01.01 to 12.31.2020	01.01 to 09.30.2021	01.01 to 12.31.2020
1. Gains/Losses on Plan Assets ⁽¹⁾	(380,958)	(196,974)	(4,293)	(48,075)
2. Actuarial gains (losses) on the obligation, arising from:	515,922	26,611	(1,706)	38,782
2.1. Experience adjustments	(249,529)	(35,487)	(3,623)	34,096
2.4. Changes in financial assumptions ⁽²⁾	753,219	248,977	1,917	1,251
2.3. Changes in biometric assumptions - Tables	-	(184,204)	-	3,390
2.4. Changes in Other Assumptions - PID	-	(2,675)	-	14
2.5. Changes in other assumptions – Family structure	-	-	-	31
2.6. Changes in postponement of retirement	12,232	-	-	-
3. Asset ceiling effect	-	-	4,085	6,807
4. Amounts recognized in equity (item 1 + item 2 + item 3) ⁽³⁾	134,964	(170,363)	(1,914)	(2,486)

⁽¹⁾ Return on plan assets, less amounts included in net interest on the net amount of liabilities (assets) of the defined benefit.

⁽²⁾ They arise from the variation in actual discount rates in relation to 12.31.2020 (as shown in item g.2);

⁽³⁾ Including estimated contribution difference in the DB Plan actuarial calculation: 01.01 to 09.30.2021: R\$ (46); and of the VC I plan: 01.01 to 12.31.2020: (R\$ 140).

NOTES TO INDIVIDUAL INTERIM FINANCIAL STATEMENTS OF BANCO DO NORDESTE DO BRASIL S.A.

Quarters and Periods ended September 30, 2021 and 2020 and year ended 2020
Amounts expressed in thousands of reais, unless otherwise stated

Specification	Camed		Life insurance	
	Natural Plan		01.01 to 09.30.2021	01.01 to 12.31.2020
	01.01 to 09.30.2021	01.01 to 12.31.2020		
1. Gains/(losses) on plan assets ⁽¹⁾	24,480	8,359	-	-
2. Actuarial gains (losses) on the obligation, arising from:	425,262	80,813	89,778	18,830
2.1. Experience adjustments	108,406	101,921	17,794	5,971
2.2. Changes in financial assumptions ⁽²⁾	367,295	177,297	53,788	27,495
2.3. Restatement of the monthly amounts for dependents and financial protection charge	12,740	-	-	-
2.4. Changes in the health care inflation rate (HCCTR)	(65,295)	(33,590)	-	-
2.5. Changes in biometric assumptions - Tables	-	(164,430)	-	(14,615)
2.6. Voluntary Dismissal Incentive Program (PID)	-	(385)	-	(21)
2.7. Changes in postponement of retirement	2,116	-	(200)	-
2.8. Restatement of premiums	-	-	18,396	-
3. Amounts recognized in equity (item 1 + item 2) ⁽³⁾	449,742	89,172	89,778	18,830

(1) Return on plan assets, less amounts included in net interest on the net amount of liabilities (assets) of the defined benefit.

(2) They arise from the variation in actual discount rates in relation to 12.31.2020 (as shown in item g.2);

(3) Including estimated contribution difference in the Natural Plan actuarial calculation: 01.01 to 09.30.2021: R\$ (384); 01.01 to 12.31.2020: R\$ 12,360 and in the Group Life Insurance actuarial calculation: 01.01 to 09.30.2021: R\$ (48); 01.01 to 12.31.2020: R\$ 10.

o) Reconciliation of changes in net (liabilities)/assets recognized in the period

Specification	Capef			
	DB Plan		VC Plan I	
	09.30.2021	12.31.2020	09.30.2021	12.31.2020
1. (Liabilities)/assets recognized at the beginning of the period	(1,093,069)	(931,871)	-	-
2. Employer contributions	58,104	79,700	1,072	1,306
3. Amounts recognized in P&L	(62,377)	(70,535)	842	1,180
4. Amounts recognized in equity for the period	134,964	(170,363)	(1,914)	(2,486)
5. (Liabilities)/assets recognized at the end of the period	(962,378)	(1,093,069)	-	-

Specification	Camed		Life insurance	
	Natural Plan		09.30.2021	12.31.2020
	09.30.2021	12.31.2020		
1. (Liabilities)/assets recognized at the beginning of the period	(2,194,237)	(2,134,473)	(368,074)	(363,829)
2. Employer contributions	57,488	84,973	3,375	4,185
3. Return of Sponsor's contributions	(4,436)	(40,792)	-	-
4. Amounts recognized in P&L	(147,206)	(193,117)	(21,158)	(27,260)
5. Amounts recognized in equity	449,742	89,172	89,778	18,830
6. (Liabilities)/assets recognized at the end of the period	(1,838,649)	(2,194,237)	(296,079)	(368,074)

p) Investment policy and allocation of plan fair values

The investment policies for DB and VC I plans are annually prepared for a 5-year period, subject to approval from the Capef's Decision-Making Board and are mainly intended for defining guidance procedures for management of assets compared to benefit expenses, aiming at the actuarial balancing of each plan. The DB plan goal to be reached in its investments is represented by INPC + 5.25% p.a., and VC I plan represented by IPCA +5.00% p.a. For allocation of funds and limits per segment of application, the guidelines of CMN Resolution No. 4661 dated 05.25.2018 and amendments are taken into consideration, in addition to safety, liquidity, profitability and maturity criteria of the plan. The proposal of fund allocation is reviewed at any time, due to any significant event that may substantially change the macroeconomic assumptions regarded.

Deliberations on natural plan investments are approved by the Executive Board and submitted to the Decision-Making Board of Camed. For investments associated with financial guarantees with the Brazilian Agency for Supplementary Health (ANS), the limits and conditions set forth by this agency are observed.

NOTES TO INDIVIDUAL INTERIM FINANCIAL STATEMENTS OF BANCO DO NORDESTE DO BRASIL S.A.

Quarters and Periods ended September 30, 2021 and 2020 and year ended 2020
Amounts expressed in thousands of reais, unless otherwise stated

Specification	Capef				Camed	
	DB Plan (%)		VC I Plan (%)		Natural Plan (%)	
	09.30.2021	12.31.2020	09.30.2021	12.31.2020	09.30.2021	12.31.2020
Fixed income	88.38	86.95	67.90	73.51	86.14	88.19
Variable income	3.32	5.73	12.11	12.99	11.64	9.23
Real Estate	5.91	5.40	4.05	4.89	2.22	2.58
Investments abroad	0.32	-	8.03	0.29	-	-
Operations with Participants	1.92	1.79	4.02	4.12	-	-
Structured instruments	0.15	0.13	3.90	4.20	-	-

q) Sensitivity Analysis of Obligations

It demonstrates how the Actuarial Obligations would be affected by variations in the main assumptions:

Capef - DB Plan	Current parameters	Interest rate		Biometric Tables	
	09.30.2021	+0.25%	-0.25%	Aggrav (-10%)	Smooth. (+10%)
Present value of actuarial obligation	(5,071,201)	(4,962,528)	(5,184,264)	(4,915,408)	(5,247,721)
Increase/decrease in actuarial obligation (%)		-2.1	2.2	-3.1	3.5

Capef - VC I Plan	Current parameters	Interest rate		Biometric Tables	
	09.30.2021	+0.25%	-0.25%	Aggrav (-10%)	Smooth. (+10%)
Present value of actuarial obligation	(48,890)	(48,047)	(49,767)	(46,543)	(51,538)
Increase/decrease in actuarial obligation (%)		-1.7	1.8	-4.8	5.4

Camed - Natural Plan	Current parameters	Interest rate		HCCTR		Biometric Tables	
	09.30.2021	+0.25%	-0.25%	+0.25%	-0.25%	Aggrav (-10%)	Smooth. (+10%)
Present value of actuarial obligation	(2,030,470)	(1,958,685)	(2,106,787)	(2,124,715)	(1,941,504)	(1,936,498)	(2,137,125)
Increase/decrease in actuarial obligation (%)		-3.5	3.8	4.6	-4.4	-4.6	5.3

Life in Surance	Current parameters	Interest rate		Biometric Tables	
	09.30.2021	+0.25%	-0.25%	Aggrav (-10%)	Smooth. (+10%)
Present value of actuarial obligation	(296,079)	(285,424)	(307,378)	(311,396)	(279,307)
Increase/decrease in actuarial obligation (%)		-3.6	3.8	5.2	-5.7

r) Impacts on Future Cash Flows

r.1) Expected contributions from the period from October to December 2021

Specification	Capef		Camed	Life Insurance
	DB Plan ⁽¹⁾	VC I Plan ⁽²⁾	Natural Plan ⁽³⁾	
1. Employer contributions	28,568	386	21,082	1,167
2. Active Employees' contributions	12	382	3,475	680
3. Former Vested Employees' contributions	28,556	-	9,534	1,133

⁽¹⁾ Except for contributions intended for administrative costing: Employer: R\$ 2,150 and Employees/Vested participants: R\$ 2,150;

⁽²⁾ Except for contributions intended for part of the DC plan: Employer: R\$ 17,967 and Employees: R\$ 17,970;

⁽³⁾ Except for co-payments.

NOTES TO INDIVIDUAL INTERIM FINANCIAL STATEMENTS OF BANCO DO NORDESTE DO BRASIL S.A.

Quarters and Periods ended September 30, 2021 and 2020 and year ended 2020
Amounts expressed in thousands of reais, unless otherwise stated

r.2) Expected Payments of Benefits

Specification	Capef ⁽¹⁾		Camed ⁽¹⁾⁽²⁾	Life Insurance ⁽¹⁾
	DB Plan	VC I Plan ^(c)	Natural Plan	
Up to 1 year	424,828	2,142	82,453	9,906
From 1 to 2 years	414,324	1,931	83,276	10,414
From 2 to 3 years	386,820	1,582	83,516	10,842
From 3 to 4 years	359,610	1,304	83,091	11,183
Over 4 years	3,485,619	41,931	1,698,134	253,734
Total	5,071,201	48,890	2,030,470	296,079

⁽¹⁾ Expected benefit amounts were calculated considering the discount to present value.

⁽²⁾ Net of co-payment of vested participants.

s) Estimated expenses for the period from October to December 2021

Specification	Capef		Camed	Life Insurance
	DB Plan	VC I Plan ^(c)	Natural Plan	
1. Current service cost, net	(2,354)	295	(4,379)	(112)
2. Net interest	(18,433)	-	(41,536)	(6,986)
3. Total unrecognized (expenses)/revenues	(20,787)	295	(45,915)	(7,098)

NOTE 26 - Fundo Constitucional de Financiamento do Nordeste (FNE)

- a) Net assets of FNE, amounting to R\$ 104,769,087 (R\$ 96,267,876 at 12.31.2020), are recorded in the Bank's memorandum accounts named "Assets of Managed Public Funds/FNE".
- b) Cash and cash equivalents and funds committed to loans, which represent cash and cash equivalents of FNE in the amount of R\$ 18,040,884 (R\$ 14,293,626 at 12.31.2020), recorded under "Other Financial Instruments/Financial and Development Funds" bear interest at the extra-market rate until 05.18.2021. As of May 19, 2021, pursuant to Provisional Executive Order No. 1052, of May 19, 2021, remuneration was pegged to the Selic rate. Until the 3rd quarter of 2021, expenses with the remuneration of cash and cash equivalents totaled R\$ 449,322 (R\$ 476,081 at 09.30.2020).
- c) The provision to cover the risk on FNE transactions is recognized pursuant to the following criteria:
- c.1) in transactions entered into until 11.30.1998, the Bank is risk-free;
 - c.2) for transactions entered into beginning 12.01.1998, excluding transactions under PRONAF (groups A, A/Microcredit, B, A/C, Forest, Semi-arid Region, Emergency, Flood, Drought/1998, Semi-arid Region-Drought 2012 and Drought-2012-Funding), the Bank's risk is 50% of the amount calculated pursuant to CMN Resolution No. 2682 of 12.21.1999; and
 - c.3) the Bank assumes all the risks on renegotiated and reclassified FNE loans, as set forth by Law No. 11775 of 09.17.2008, and transactions recognized in "Onlending debtors", as prescribed by Ministry of Integration Administrative Ruling No. 147 of 04.05.2018. Loans funded by FNE, under Law No. 12716 of 09.21.2012 and Law No. 12844 of 07.19.2013, for the purpose of settling BNB transactions with other sources of funds, will maintain the same risk position of the transaction to be settled.
- d) The balances of financing whose risk is assumed by the Bank and of provisions recorded under "Provision for financial guarantees provided" of the Bank are broken down as follows:

Risk Level	Balances at 09.30.2021	Regular provision at 09.30.2021 ^{(1) (2)}	Prudential provision at 09.30.2021 ⁽³⁾	Total Provision at 09.30.2021	Balances at 12.31.2020	Provision at 12.31.2020 ^{(1) (2) (3)}
AA	36,778,137	-	(49,502)	(49,502)	34,922,308	(134,686)
A	21,956,928	(55,137)	(29,675)	(84,812)	22,021,060	(216,181)
B	6,165,549	(31,030)	(33,915)	(64,945)	6,004,651	(65,992)
C	2,572,487	(38,524)	(49,305)	(87,829)	2,193,204	(46,342)
D	1,483,712	(74,313)	(81,597)	(155,910)	923,220	(53,028)
E	1,054,853	(158,469)	(58,000)	(216,469)	632,393	(100,780)
F	687,637	(171,889)	(37,747)	(209,636)	495,524	(127,144)
G	523,796	(183,235)	(43,120)	(226,355)	428,271	(151,693)
H	4,228,298	(2,098,510)	-	(2,098,510)	4,178,467	(2,076,702)
Total	75,451,397	(2,811,107)	(382,861)	(3,193,968)	71,799,098	(2,972,548)

⁽¹⁾ At 09.30.2021, this balance includes a provision to cover the Bank risk on loan transactions with indication of irregularities in the amount of R\$ 33,330 (R\$ 40,837 at 12.31.2020).

⁽²⁾ Includes effects of renegotiations of loan transactions, based on Law No. 13340 of September 28, 2016, which authorized granting of rebates and renegotiation of debts from rural loan transactions entered into up to December 31, 2011, with FNE funds and mixed funds from FNE and other sources.

⁽³⁾ This includes a prudential allowance in percentages higher than the minimum required by CMN Resolution No. 2682 of December 21, 1999, recorded based on an internally established model for credit risk classification.

NOTES TO INDIVIDUAL INTERIM FINANCIAL STATEMENTS OF BANCO DO NORDESTE DO BRASIL S.A.

Quarters and Periods ended September 30, 2021 and 2020 and year ended 2020

Amounts expressed in thousands of reais, unless otherwise stated

- e) For loans entered into after 11.30.1998, *del credere* commission is 3% p.a., when the risk is 50%, and 6% p.a. when the Bank is a direct party to the transaction backed by onlending based on article 9, item A of Law No. 7827 of 09.27.1989. In loans reclassified for FNE based on Law No. 11775 of 09.17.2008, *del credere* commission is 3% p.a. or 6% p.a., as regulated by Interministerial Ruling No. 245 of 10.14.2008, of the Ministry of Finance and Ministry of National Integration. Revenue from *del credere* commission totaled R\$ 1,683,529 (R\$ 1,410,827 at 09.30.2020). Pursuant to Provisional Executive Order No. 1052, of May 19, 2021, *del credere* on the balances of FNE loans entered into as of May 19, 2021 shall be calculated, in loans with full risk to the Bank, at rates that range from 5.5% p.a. to 2.50% p.a., depending on the size of the beneficiary, and from 2.75% p.a. to 1.25% p.a., in loans with shared risk, also depending on the size of the beneficiary. In loans with full risk to FNE, *del credere* does not apply. Also according to Provisional Executive Order No. 1052, *del credere* in FNE loans will be set by the National Monetary Council, through a proposal by the Ministry of Regional Development, limited to 5.5% p.a. It shall be contained in the financial charges charged on loans with FNE resources, in accordance with current legislation.
- f) Until the 3rd quarter of 2021, the administration fee was R\$ 962,077 (R\$ 1,057,458 at 09.30.2020), calculated based on 2.1% up to June and 1.0% as of July 2021 (2.4% in 2020) per year on Equity, and allocated monthly, as provided for in Provisional Executive Order No. 1052, of May 19, 2021.
- g) Provisional Executive Order No. 1052, of May 19, 2021, determined the following changes, regarding the administration fee earned by the Bank:
- i) setting the annual administration fee at 2.1%, for the period from January 1, 2021 to June 30, 2021, and at 1.0%, as of July 1, 2021, with an annual reduction of 0.1 percentage point in each following year until 0.5% is reached, as of 2026;
 - ii) the calculation basis is the Net Equity of FNE, less cash and cash equivalents referred to in article 4 of Law No. 9126, of November 10, 1995, amounts transferred to the Bank under the terms of article 9 and paragraph 11 of article 9-A of Law No. 7827, of September 27, 1989, and investment balances under Pronaf addressed by article 6 of Law No. 10177, of January 12, 2001, and the Program regulation (MCR-10) (groups A/Microcredit, Forest, Semi-arid region, Emergency, Flood, Drought/1998, Semi-arid Region-Drought 2012 and Drought-2012/Funding);
 - iii) the Bank will be entitled to the percentage of 0.09% (nine hundredths percent) p.a. on the balances of cash and cash equivalents addressed by article 4 of Law No. 9126, of November 10, 1995;
 - iv) the amount to be received by the Bank as a result of the administration fee, less the remuneration to the Bank on cash and cash equivalents, may be increased by up to 20% (twenty percent) as a performance fee, to be regulated by a joint act of the Ministers of State for the Economy and Regional Development.
- h) Up to the 3rd quarter of 2021, renegotiations arising from operations entered into by the FNE totaled R\$ 8,667,291 (R\$ 50,859,610 in 2020) of which R\$ 6,601,659 (R\$ 48,115,223 in 2020) resulted from measures adopted to mitigate the economic effects of the Covid-19 pandemic.

NOTE 27 - Fundo de Desenvolvimento do Nordeste (FDNE)

The FDNE, created by Provisional Executive Order No. 2156-5, of August 24, 2001, is intended to ensure resources for investments in SUDENE's area of operation, in infrastructure and utility services, in productive projects with great germination capacity for new business and productive activities.

The Bank is the sole operating agent in the financing modality through issue of debentures, and the preferred operator for entering into loan transactions through onlending.

These are FDNE resources:

- I. resources from the National Treasury corresponding to funds assigned to it in the annual budget; II. income from short-term investments at its account;
- III. proceeds from the sale of securities, share dividends and others related thereto;
- IV. financial transfers from other funds intended to support regional development programs and projects that cover SUDENE's area of operation;
- V. the reversal of unapplied annual balances;
- VI. funds from the return on granted financing transactions, including principal, interest and other financial charges, less the portion corresponding to the remuneration of the operating agent, as established by the CMN; and
- VII. other funds provided for in law.

NOTES TO INDIVIDUAL INTERIM FINANCIAL STATEMENTS OF BANCO DO

The charts below show the remuneration of the Bank, in its capacity as FDNE Operator, the expense of the provision set up on financial guarantees provided and the balances of contracted transactions:

a) Revenue from *Del Credere* and Provision Expense

Specification	09.30.2021	09.30.2020
Revenue from <i>Del Credere</i>	6,397	6,157
Provision expense (Net)	(360)	(644)

Balances of contracted operations

Specification	09.30.2021	12.31.2020
FDNE - Debentures	5,365,177	5,149,141
FDNE - Onlending	604,156	616,333

NOTE 28 - Workers' Assistance Fund (Fundo de Amparo ao Trabalhador - FAT)

The Workers' Assistance Fund (FAT) is a special financial-accounting fund under the Ministry of Labor and Employment (Ministério do Trabalho e Emprego - MTE), whose purpose is to finance the Unemployment Insurance, Salary Bonus and Economic Development Programs. The main actions financed by the Bank with FAT funds are as follows:

Specification	Tade	09.30.2021	12.31.2020
Protrabalho Investment	004/2007	143,949	122,821
Total		143,949	122,821

Obligations derived from the Workers' Assistance Fund (FAT), recorded under 'Interest-yielding special deposits', totaling R\$ 12,798 (R\$ 14,838 at 12.31.2020) are subject to average SELIC rate while they are not used in loans, and subject to the Long-Term Rate (TLP) when released. Available funds totaled R\$ 10 (R\$ 9 at 12.31.2020).

Remuneration of funds allocated in the Bank shall be paid to FAT on a monthly basis, as established in Codefat Resolutions No. 439/2005, 489/2006 and 801/2017, with a minimum amount equivalent to 2% calculated on the total balance of each Special Deposit Allocation Statement (TADE)), plus cash and cash equivalents that fall under the following conditions, in terms of remaining in the Bank's cash:

- after 2 months, with respect to the reimbursements of the final borrowers, not reused in new financing; and
- after 3 months, with respect to the new deposits made by FAT and not released to final borrowers.

Specification	Tade ⁽¹⁾	Return of Fat funds			09.30.2021		
		Form ⁽²⁾	R.A.	SELIC remuneration	Available TMS ⁽³⁾	TJPL or TLP ⁽⁴⁾ applied	Total
Protrabalho - Investment	04/2007	RA	3.425	2	10	12,788	12,798
Total (Notes 14.b e 30.a.1)			3.425	2	10	12,788	12,798

Specification	Tade ⁽¹⁾	Return of Fat funds			12.31.2020		
		Form ⁽²⁾	R.A.	SELIC remuneration	Availab le TMS ⁽³⁾	TJPL or TLP ⁽⁴⁾ applied	Total
Protrabalho - Investment	04/2007	RA	3,991	22	9	14,828	14,837
PNMPO	01/2010	RA	765	6	-	-	-
Total (Notes 14.b e 30.a.1)			4,756	28	9	14,828	14,837

(1) Tade: Special Deposit Allocation Statement;

(2) RA - Automatic Return (Monthly, 2% on total balance);

(3) Funds yielding by Average SELIC Rate (TMS);

(4) Funds yielding by: Long-term Interest Rate (TJLP) for transactions entered into up to 12.31.2017 and Long-term Rate (TLP) for transactions entered into as of 01.01.2018.

NOTES TO INDIVIDUAL INTERIM FINANCIAL STATEMENTS OF BANCO DO NORDESTE DO BRASIL S.A.

Quarters and Periods ended September 30, 2021 and 2020 and year ended 2020
Amounts expressed in thousands of reais, unless otherwise stated

NOTA 29 - Risk management and Basel Index

a) Risk and Capital Management

The Bank's corporate governance instruments include an internal control structure aimed at maintaining an adequate monitoring of the risks considered significant by the Bank. The risk management methodology observes the guidance set forth by the Basel Committee, with priority to identification of possible risks existing in the different Bank processes, and implementation and monitoring of key indicators and of mechanisms to mitigate any risks.

Risk Management Structure

The risk management structure is unified at the strategic level and specific at its business and support units' levels, observing the principle of segregation of activities. The units and their basic responsibilities regarding risk management are defined, formally standardized and disclosed in the institution's policies and standards website.

The performance of this structure takes into consideration the Bank's financial balance and is based on the institution's integrity and ethics policy and on the principles of social and environmental responsibility, in relationships with its customers, partners, employees, shareholders, service providers and with the society.

In this context, the Integrated Risk Management of the Bank includes, as an essential principle, sustaining a structured risk management system that is integrated to its management activities. It provides information that supports the Bank's various decision-making levels in assessing the risks involved and is designed to guide the management of risks that threaten the achievement of business objectives, establishing rules based on principles and good corporate governance practices, implemented under the guidance of the Bank's senior management and supervisory boards.

Capital Management Structure

The Control and Risk Board is responsible for capital management, having structured a specific administrative unit for this purpose, as required by the CMN Resolution No. 4557, of 02.23.2017. Information regarding the Capital Management Structure can be found in the Risk and Capital Management Report - Pillar III available on the portal: www.bnb.gov.br.

The Bank's capital adequacy is managed taking into consideration the regulatory requirements plus a Capital target of 1.0 percentage point above the minimum requirements, considering the Referential Equity (RE), Tier I, of Principal Capital and Additional Principal Capital requirements.

The Bank prepares its Capital Plan in line with the Strategic Planning, in order to reflect the results planned therein and, at the same time, comply with the provisions of CMN Resolution No. 4557. In this sense, in order to increase the adhesion of the Capital Plan to business planning, it was decided to extend its threshold to five years, based on the version prepared in 2018, exceeding the minimum defined in the referred to Resolution by two years.

In the plan prepared for the period from 2021 to 2025, approved in December 2020, there was neither evidence of non-compliance with the minimum regulatory capital requirements, nor of the minimum limit established for the activation of the contingency plan (minimum plus capital target), in any of the scenarios used.

Corporate Risk Management Policy

It includes guidance and guidelines that integrate the Bank's activities for the management of significant financial risks (credit, concentration, market, banking portfolio interest rate, liquidity and operational risks – including the legal risk in the latter); and non-financial risks (strategic, reputational, capital, compliance, social and environmental, actuarial, cyber and model risks). The Risk Management Committee analyzes and forwards for approval by the Executive Board and Board of Directors proposals for creation of and adjustments in strategies, policies, models and procedures for risk management. The Control and Risk Executive Board coordinates the implementation thereof and the Bank's performance, through a specific unit that manages risks, in an integrated manner, at corporate level, defining management methodologies and models, as well as promoting the dissemination of the risk management culture.

Further information relating to risk management focused on matters related to Reference Assets and the amount of Risk-Weighted Assets (RWA), in accordance with BCB Resolution No. 54, of December 16, 2020, can be found at www.bnb.gov.br.

b) Credit risk

It is the possibility losses associated with default by the counterparty to its obligations under the terms agreed; devaluation and reduction of expected remunerations and gains on financial instruments deriving from deterioration of the creditworthiness of counterparty, intervening party or mitigating instrument; restructuring of financial instruments or costs of recovering exposures characterized as troubled assets.

NOTES TO INDIVIDUAL INTERIM FINANCIAL STATEMENTS OF BANCO DO NORDESTE DO BRASIL S.A.

Quarters and Periods ended September 30, 2021 and 2020 and year ended 2020

Amounts expressed in thousands of reais, unless otherwise stated

Specification	Exposure	
	09.30.2021	12.31.2020
Loans, co-payments and guarantees given	58,244,597	54,475,937
Public sector	1,340,037	1,257,833
Private sector	56,904,560	53,218,104
Trade	5,272,086	6,289,503
Foreign trade	224,592	714,439
Manufacturing	8,193,548	8,346,360
Infrastructure	19,775,322	16,656,995
Urban micro-financing	6,321,098	5,307,579
Individuals	104,151	100,781
Rural	11,149,895	9,954,839
Other Services	5,863,868	5,847,608
Market transactions	43,282,090	53,519,103
Federal Government securities	40,815,179	49,453,031
Repurchase agreements	9,662,597	20,671,729
Other	31,152,582	28,781,302
Interbank Deposits	526,770	1,083,961
Other securities	1,191,160	1,172,934
Other transactions	748,981	1,809,177
Other assets	6,245,119	6,191,236
Total	107,771,806	114,186,276

The Bank uses the constant information flow to identify, measure, monitor, assess, report, control and mitigate risks, thus ensuring that credit risk exposure is in accordance with the parameters defined in the Risk Appetite Statement (RAS). Accordingly, various instruments are used, such as: credit policies, risk assessment models and methodologies, methodology for segregation of credit assets in troubled and non-troubled, managerial reports, and system for risk rating and for calculation of expenses related to allowance for loan losses.

Furthermore, any approval in terms of risk limits is based on the level of authority by board. In accordance with their characteristics and amount, the limits may be automatically calculated or analyzed and defined by the branches' credit assessment committees, or by the Operational Supporting Centers' risk limit approval committees, or also be decided by the customer risk limit approval committee of the General Executive Board or Executive Board.

All loans with risk exposure to the Bank are subject to risk rating, based on the customer's risk rating and loan grade, in accordance with their value, term, nature and purpose characteristics and conditions of collaterals as to their sufficiency and liquidity.

Collaterals for loans above R\$5,000 with full risk for the Bank

The collaterals for loans are determined based on their quality, capacity to be removed and sufficiency. Balances exposed to risk of loans above R\$5,000 amount to R\$ 4,659,556 (R\$ 3,962,877 at 12.31.2020). These transactions are backed by collaterals totaling R\$ 6,043,453 (R\$ 5,327,127 at 12.31.2020).

c) Liquidity Risk

Is the possibility of mismatches between tradable assets and liabilities that could affect the Bank's ability to pay, as well as the possibility of the institution being unable to negotiate a position at market price due to its volume being greater than the volume normally traded in the market or due to any discontinuity thereof.

The Bank adopts projection models to estimate changes in cash and manage its capacity to honor future commitments, communicating the company's liquidity position to management through daily reports.

The daily market and liquidity risk management report includes, among other, the Bank's liquidity ratio, represented by the ratio between available funds and commitments estimated for the next 90 days. Available funds comprising the liquidity ratio calculation base include banking reserves, highly liquid portion of interbank deposits, repurchase agreements and own securities portfolio.

Specification	09.30.2021(%)	12.31.2020(%)	
Liquidity ratio	At reporting date	400.15	318.20
	Average for the last 12 months	438.25	447.63
	Maximum for the last 12 months	548.49	925.24
	Minimum for the last 12 months	311.50	241.95

NOTES TO INDIVIDUAL INTERIM FINANCIAL STATEMENTS OF BANCO DO NORDESTE DO BRASIL S.A.

Quarters and Periods ended September 30, 2021 and 2020 and year ended 2020
Amounts expressed in thousands of reais, unless otherwise stated

d) Market risk

Is the possibility of impairment of assets and/or increase in liability, as well as reduction in finance income and increase in finance costs arising from changes in interest rates, exchange rates, and stock and commodity prices.

In managing market risks, the Bank considers market-approved methodologies and instruments, such as:

- a) VaR (value at risk) of asset and liability transactions in trading portfolio;
- b) change in in the economic value of financial instruments (Δ EVE) of the banking portfolio;
- c) change in gain (loss) from financial intermediation (Δ NII) of the banking portfolio;
- d) mapping of Minimum Required Capital (MRC);
- e) foreign exchange exposure report;
- f) sensitivity analysis;
- g) stress testing;
- h) backtesting; and
- i) reports on monitoring of limits established for portions exposed to market risk.

The preparation of daily, quarterly and annual managerial reports for management and supervisory and control boards is critical to market risk management. Such reports include, among others, detailed information on and analysis of exposure levels of trading and banking portfolios, currency exposure levels and liquidity levels.

In addition to these reports, the monitoring of market and liquidity risk exposure limits includes a warning system implemented in order to expedite the preparation of managerial information necessary for the decision-making process by the proper levels of authority, based on the following procedures:

Risk exposure limits	Warning limit	Control procedure
<ul style="list-style-type: none"> • 0.8% (eight tenths percent) of the Referential Equity (RE) amount as the possibility of maximum loss of the Trading Book; • 8% (eight percent) of the Referential Equity (RE) amount, Tier I, as the maximum limit for the result of variation in the economic value of the financial instruments (ΔEVE) used to measure the interest rate risk of banking book (IRRBB); • 8% (eight percent) of the Referential Equity (RE) amount, Tier I, as the maximum limit for the result of variation in the result of financial intermediation (ΔNII) used to measure the interest rate risk of banking book (IRRBB); • 3% (three percent) of the Referential Equity (RE) amount, Tier I, as a maximum limit for exposures in foreign currency. 	<ul style="list-style-type: none"> • > 0.6% of RE tier I • > 6% of RE tier I • > 6% of RE tier I > 2% of RE tier I 	<p>If the exposure level reaches the warning limit, the Risk Management Environment will issue a notice to the Executive Board, the Corporate Risk Management Committee and the management areas of the products/processes responsible for the exposure;</p> <p>If the exposure level exceeds the established limit, the Risk Management Area will issue a formal communication (warning) to the Risk Management Committee, the Executive Board, the Risk and Capital Committee and the Board of Directors for assessment and decision-making process, aiming at correcting directions and adequacy to the tolerance parameter established in the Bank's Risk Appetite Statement (RAS).</p>

Trading Portfolio Risks

The Bank monitors the composition of the Trading Portfolio on a daily basis, which should consist of: i) self-funded repurchase agreements with a resale commitment; ii) securities classified in the category of trading securities, when applicable, as defined by Bacen Circular No. 3068 of 11.08.2001; iii) operations designed to hedge against the risks of other operations in the Trading Portfolio.

The interest rate risk of the Trading Portfolio is measured using the Value at Risk (VaR), based on the standard model created by Bacen..

In 09.30.2021, Banco do Nordeste's Trading Portfolio was comprised of repurchase agreements, backed by federal government securities, carried out at fixed rates, with a marked-to-market exposure amounting to R\$ 2,720,528 and a VaR of R\$ 169.

Interest Rate Risk for the Banking Book (IRRBB)

The Interest Rate Risk of transactions classified in the Banking Portfolio (IRRBB) corresponds to the risk of negative impacts on capital and on the results of the Financial Institution, arising from adverse changes in interest rates, for instruments classified in the banking portfolio. This risk is identified, measured and controlled according to the criteria provided for in Bacen Circular No. 3876 of 01.31.2018, using the following two metrics:

NOTES TO INDIVIDUAL INTERIM FINANCIAL STATEMENTS OF BANCO DO NORDESTE DO BRASIL S.A.

Quarters and Periods ended September 30, 2021 and 2020 and year ended 2020
Amounts expressed in thousands of reais, unless otherwise stated

- a) Δ EVE (Delta Economic Value of Equity) is defined as the difference between the present value of the sum of repricing flows of instruments subject to IRRBB in a base scenario, and the present value of the sum of repricing flows of the same instruments in an interest-rate shocked scenario; and
- b) Δ NII (Delta Net Interest Income) is defined as the difference between the result of financial intermediation of instruments subject to IRRBB in a base scenario, and the result of financial intermediation of the same instruments in an interest-rate shocked scenario; The result of financial intermediation of the banking portfolio should not include the allowance for loan losses.

The IRRBB measures is calculated on a monthly basis, using standardized internal models (there is an internal model only for Δ NII) mostly based on the parameters, hypotheses and assumptions established in Bacen Circular No. 3876.

At 09.30.2021, the Bank's Banking Book had marked-to-market exposure (sum of the absolute value of the net exposures of each risk factor) of R\$ 7,282,495, presenting Δ EVE and Δ NII in the amounts of R\$ 386,236 and R\$ 125,235, respectively.

Stress testing

Allows foreseeing potential gains or losses in the trading portfolio due to changes in interest rates, foreign exchange coupon or price indexes, which may be practiced in the market in extreme situations. This tool complements other risk management approaches used for normal times, such as Economic Value (EVE), Results from financial intermediation (NII) and Value at Risk (VaR) used by the Bank.

The Bank performs three types of stress tests on a quarterly basis, in addition to sensitivity analysis, in compliance with Bacen and CMN regulations. The objectives of such tests are described below:

- a) estimating the percentage of the variation of the marked-to-market value of the operations in relation to the Referential Equity (RE), using a shock compatible with the 1st and 99th percentiles of a historical distribution of variations in interest rates, considering the 1-year holding and the 5-year observation;
- b) estimate the number of base points of parallel interest rate shocks required to bring about a reduction in the market value of the asset (or an increase in the liability amount) of the transactions in the Trading and Banking Portfolios corresponding to 5% (five percent), 10% (ten percent) and 20% (twenty percent) of the Referential Equity (RE); and
- c) estimate the losses that would occur if the integrated stress scenario, prepared by the Bank's economic area together with areas such as planning, controllership and risk management, were to occur.

The results of the stress tests are communicated, through quarterly reports, to the Bank's Management, as well as used by the risk management area to systematically monitor the Bank's level of exposure to interest rate shocks, with a view to the necessary feedbacks to the respective business areas.

Sensitivity analysis

In compliance with BCB Resolution No. 2, of August 12, 2020, and CVM Ruling No. 604, of November 19, 2009, a sensitivity analysis was conducted in order to identify significant risks capable of generating losses to the Bank, considering alternative scenarios for the behavior of various risk factors in Trading and Banking book transactions. Its results are as follows:

Portfolio/risk factor	Risk of variation in:	Scenario 1 (variation of 25%)		Scenario 2 (variation of 50%)	
		Loss	% Equity	Loss	% Equity
Trading book					
Fixed	Fixed interest rates in reais	(7,184)	0.10	(15,168)	0.21
Banking book					
Fixed	Fixed interest rates in reais	(132,440)	1.86	(249,211)	3.50
Foreign exchange coupons	Foreign currency coupon rates	(94)	-	(185)	-
Foreign currency	Foreign exchange rates	(94,858)	1.33	(189,716)	2.66
Price indexes	Inflation coupon rates	(56,403)	0.79	(72,864)	1.02
Long-term interest rate (TJLP)	TJLP coupon rates	(2,807)	0.04	(5,337)	0.07
Referential Rate (TR)	TR coupon rates	(61,048)	0.86	(101,840)	1.43

NOTES TO INDIVIDUAL INTERIM FINANCIAL STATEMENTS OF BANCO DO NORDESTE DO BRASIL S.A.

Quarters and Periods ended September 30, 2021 and 2020 and year ended 2020

Amounts expressed in thousands of reais, unless otherwise stated

For purposes of abovementioned calculations, scenario 1, which presents the most probable situation, considered the net balances of portfolios, at marked-to-market values - considering the rates used at B3 - Brasil, Bolsa, Balcão S.A. As regards scenarios 2 and 3, changes of 25% and 50% were applied, respectively, to the market risk factors considered, and new net balances were estimated for the portfolios. Losses correspond to the differences between the balances under scenario 1 and the balances under scenarios 2 and 3.

The sensitivity analysis was also conducted for swap transactions and their related hedged items as follows:

Nature of the transaction	Type of risk	Financial instrument	Scenario 1	Scenario 2		Scenario 3	
			(Probable)	(25% variation)		(50% variation)	
			Balance	Balance	Loss	Balance	Loss
Hedge derivatives	Variation in the B3 S.A. reference rate	Dollar x DI swap	266.553	266.695	142	266.838	285
		Liabilities in ME	(273.193)	(273.339)	(146)	(273.485)	(292)
		Net exposure	(6.640)	(6.644)	(4)	(6.647)	(7)

Market value losses were considered in the net exposure of scenarios 2 and 3 and, as regards scenario 1, arising from a possible stressed increase in exchange coupon in foreign-currency denominated transactions.

The method used in the sensitivity analysis of hedging transactions consisted in the measurement of changes in net exposure marked to market between the dollar-indexed foreign exchange payable and the dollar-denominated foreign exchange receivable of swap transactions. The net exposure was calculated for three scenarios, allowing their comparison. Scenario 1 uses market rates, representing the current situation for risk exposure factors, based on the rates disclosed by B3. Scenarios 2 and 3 are obtained by applying shocks to the foreign exchange coupon used in Scenario 1, as described below:

Scenario 1 - 100% of the DI vs. Dollar swap rate is applied.

Scenario 2 - 125% of the DI vs. Dollar swap rate is applied.

Scenario 3 - 150% of the DI vs. Dollar swap rate is applied.

e) Operational risk

Is the possibility of losses arising from external events, or failures, deficiencies or inadequacies of internal processes, people or systems, including those related to legal issues.

Operational risk management requires continuous commitment and involvement of all managers, employees and collaborators, whose main purpose is to mitigate the possibility and impact of operating losses.

The corporate operating risk management system aims at ensuring compliance with the corporate policy in accordance with governance principles and the policies set by the National Monetary Council (CMN), based on the timetable defined by the banking supervisory board.

The Bank's corporate operational risk is managed through a process view and a specific organizational structure designed to support risk assessment activities in all supporting and business processes of the Institution, mainly based on the standards issued by Bacen. The qualitative approach comprises process risk assessment methodologies, follow-up of mitigating measures and managerial reports. Another methodology used is the RCSA (Risk and Control Self-Assessment), which allows simulating risks inherent in activities and procedures, as well as defining their impact. RCSA further allows building a Risk Matrix and defining indicators, aiming at reaching an expanded vision of the processes and improved management.

f) Foreign Exchange Exposure Transactions under agreements that provide for currency adjustment clause presented net balance of foreign exchange exposure sold, in the amount of R\$ 21.531 (R\$ 23.454 at 12.31.2020 – short position), as follows:

Specification	09.30.2021	12.31.2020	Specification	09.30.2021	12.31.2020
Cash	8,568	3,922	Interbranch accounts	10,941	4,040
Interbank Investments	39,062	106,054	Borrowings and onlending - In Brazil	55,791	63,251
Loans	453,570	497,955	Borrowings and onlending Foreign	704,312	711,278
Other Credits	372,904	827,621	Other obligations	395,621	907,302
Total assets in foreign currencies, exclusive derivatives	874,104	1,435,552	Total liabilities in foreign currencies	1,166,665	1,685,871
Swap transactions	271,030	226,865			
Total long position in foreign currencies	1,145,134	1,662,417	Total short position in foreign currencies	1,166,665	1,685,871

NOTES TO INDIVIDUAL INTERIM FINANCIAL STATEMENTS OF BANCO DO NORDESTE DO BRASIL S.A.

Quarters and Periods ended September 30, 2021 and 2020 and year ended 2020

Amounts expressed in thousands of reais, unless otherwise stated

Foreign exchange exposure is maintained below the limits established in the Corporate Risk Management Policy (3% of the Referential Equity - RE).

g) Operational limits - Basel Accord

At 09.30.2021, the Bank's Extended Basel Ratio (including capital to cover IRRBB) was 12.95% (12.83% at 12.31.2020). The Tier I ratio was 11.21% (10.02% at 12.31.2020), while Core Capital ratio was 10.06% (8.82% at 12.31.2020). The calculated RE was R\$ 9,586,555 (R\$ 8,729,534 at 12.31.2020), Tier I was R\$ 7,760,472 (R\$ 6,675,190 at 12.31.2020), and Core Capital was R\$ 6,964,583 (R\$ 5,879,301 at 12.31.2020), while risk-weighted assets (RWA amount) totaled R\$ 69,222,180 (R\$ 66,623,721 at 12.31.2020). In the period under review, the possibility of non-compliance with the capital requirements provided for in the current regulation was not detected.

i. Minimum Required Capital - MRC (Basel III)

Specification	09.30.2021	12.31.2020
Referential Equity (RE)	9,586,555	8,729,534
. Tier I	7,760,472	6,675,190
. Principal Capital	6,964,583	5,879,301
. Complementary Capital	795,889	795,889
. Tier II	1,826,083	2,054,344
Risk-Weighted Assets (RWA)	69,222,180	66,623,721
. RWACPAD	56,712,121	55,144,098
. RWACAM	22,807	119,445
. RWAJUR	2,472	16,512
. RWACOM	9,884	625
. RWAOPAD	12,474,896	11,343,041
Margin on Required Referential Equity	4,048,781	3,399,637
Capital to Interest Rate Risk for instruments classified in the Banking Book (IRRBB)	386,237	113,622
Margin on Required Referential Equity considering IRRBB	3,662,544	3,286,015
Margin on Tier I Required Referential Equity	3,607,141	2,677,767
Margin on Required Principal Capital	3,849,584	2,881,234
Required Additional Capital (1.625%)⁽¹⁾	1,124,861	832,797
Margin on Required Additional Capital	2,482,280	1,844,971
Basel Indexes:		
. Principal Capital Index (minimum requirement of 4.5%)	10.06%	8.82%
. Tier I index (minimum requirement of 6.0%)	11.21%	10.02%
. Referential Equity index (minimum requirement of 8.0%)	13.85%	13.10%
. Referential Equity index including IRRBB	12.95%	12.83%

(1) 1.25% until December 2020 and 1.625% as of April 2021.

Where:

- RWACPAD: amount related to credit risk exposures.
- RWACAM: amount related to exposure to gold, foreign currency and assets subject to foreign exchange variation.
- RWAJUR: amount related to exposures subject to change in interest rates.
- RWACOM: amount related to exposures subject to change in commodity prices.
- RWAOPAD: amount related to operational risk.
- IRRBB: capital to cover risk in transactions subject to change in interest rates not classified in the trading portfolio.

ii. Breakdown of Referential Equity (Basel III)

Specification	09.30.2021	12.31.2020
Referential Equity (RE)	9,586,555	8,729,534
TIER I REFERENTIAL EQUITY	7,760,472	6,675,190
Principal Capital	6,964,583	5,879,301
Capital	6,293,460	5,569,988
Income reserves	1,702,725	1,668,959
Capital and revaluation reserve	13,293	13,671
Credit P&L accounts	2,566,521	-
Debt P&L accounts	(2,375,054)	-
Other comprehensive income (loss)	(1,027,685)	(1,080,643)
Retained earnings (accumulated losses)	(45,606)	-
Debt instruments eligible to Principal Capital	500,000	500,000
Prudential Adjustments	(663,071)	(792,674)
Intangible assets	(1,487)	(721)
Tax Credits on Temporary Differences	(660,202)	(764,640)
Difference to less - Adjustments of CMN Resolution No. 4277	(1,382)	(27,313)
Complementary Capital	795,889	795,889
Instruments Eligible to Complementary Capital	795,889	795,889
TIER II REFERENTIAL EQUITY	1,826,083	2,054,344
Instruments Eligible to Tier II	1,826,083	2,054,344

NOTES TO INDIVIDUAL INTERIM FINANCIAL STATEMENTS OF BANCO DO NORDESTE DO BRASIL S.A.

Quarters and Periods ended September 30, 2021 and 2020 and year ended 2020

Amounts expressed in thousands of reais, unless otherwise stated

The Debt Instrument Eligible to Principal Capital entered into with the Federal Government comprises Tier I RE, as Principal Capital of the Bank, as authorized by BACEN. As provided for in CMN Resolution No. 4192 of 03.01.2013, this instrument has a repurchase clause that was used by the Bank to amortize the total amount of R\$500,000, into two installments of R\$250,000, duly authorized by Bacen.

The Subordinated Financial Bills, taken out in June 2019 in the amount of R\$801,040, were authorized by Bacen to compose the Tier I Referential Equity, as the Bank's Complementary Capital. These bills comply with the provisions of article 10 of CMN Resolution No. 4733 of 06.27.2019, which allows the repurchase of up to 3% of its book value. By the third quarter, Financial Bills amounting to R\$5,151 were repurchased.

The aforementioned Debt Instrument and Subordinated Financial Bills have perpetuity character and no maturity, as required by CMN Resolution No. 4192 so that they may be eligible for Tier I Referential Equity.

The Subordinated Debt Instruments entered into with FNE, authorized to comprise Tier II RE before the entry into force of CMN Resolution No. 4192 of 03.01.2013, according to paragraph 2 of its article 23, shall remain eligible up to their amortization. With the publication of CMN Resolution No. 4679 of 07.31.2018, the balances of these contracts were frozen at 06.30.2018 and are being excluded from Tier II Referential Equity at a rate of 10% p.a. from 2020 onwards. These two contracts, although not required by CMN Resolution No. 4192, are also perpetual.

iii. Leverage Ratio (LR)

The Leverage Ratio (LR), according to the methodology approved by Bacen Circular Memorandum No. 3748, of February 27, 2015, corresponds to the division of Tier I RE by Total Exposure. CMN determined, in its Resolution No. 4615, of November 30, 2017, a minimum limit of 3% for the Leverage Ratio. The Bank's position is shown in the table below:

Specification	09.30.2021	12.31.2020
Tier I Referential Equity	7,760,472	6,675,190
Total exposure	105,571,961	105,711,799
Leverage Ratio (%)	7.35	6.31

iv. Fixed asset to equity ratio

The Bank's fixed asset to equity ratio, calculated in accordance with the provisions of CMN Resolution No. 2669 of 11.25.1999, is as follows:

Specification	09.30.2021	12.31.2020
Referential Equity - fixed asset to equity limit	9,586,554	8,729,534
Fixed asset to equity limit (50% of adjusted RE)	4,793,277	4,364,767
Situation	252,697	234,094
Margin	4,540,580	4,130,673
Fixed asset to equity ratio	2.64%	2.68%

NOTE 30 - Related Parties

a) Transactions with related parties

The Bank's policy of transactions with related parties provides that the conditions and rates compatible with market practices are applied, in addition to establishing guidelines to be observed in potential conflicts of interest. In the quarter, the Bank carried out banking transactions with related parties, such as current account deposits (non-interest bearing), financial investments and loans.

a.1) Significant transactions with state-owned companies, autonomous government agencies, programs and funds controlled by the Federal Government are broken down as follows:

Specification	09.30.2021	12.31.2020
Liabilities		
Ministry of Economy / Time deposits - FAT (Notes 14.b. and 28)	12,798	14,837
Domestic lending - Official institutions (Note 15.b)	1,446,392	1,213,953
National Treasury	707	614
National Bank for Economic and Social Development (BNDES)	1,169,933	1,174,358
Fund for Financing the Acquisition of Industrial Machinery and Equipment (FINAME)	24,640	38,981
Fungetur	251,112	-
Other Liabilities	23,178,240	18,267,965
FNE	19,048,133	14,300,617
SUDENE/FDNE	626,840	625,252
Ministry of Infrastructure/Merchant Marine Fund (FMM)	92,212	98,943
Federal Government/Ministry of Agriculture, Livestock and Supply	137,366	82,171
Federal Government/Debt Instruments Eligible to Principal Capital (Note 18.c)	500,000	500,000
FNE/ Subordinated Debts Eligible to Capital (Note 18.c)	2,773,689	2,660,982
Total	24,637,430	19,496,755

NOTES TO INDIVIDUAL INTERIM FINANCIAL STATEMENTS OF BANCO DO NORDESTE DO BRASIL S.A.

Quarters and Periods ended September 30, 2021 and 2020 and year ended 2020
Amounts expressed in thousands of reais, unless otherwise stated

a.2) The balances of obligations with Post-employment Benefit Plans are as follows:

Specification	09.30.2021	12.31.2020
Retirement and DB pension plan (Note 25.I)	962,378	1,093,069
Health care plan (Note 25.I)	1,838,649	2,194,237
Life insurance - Post-employment benefit (Note 25.I)	296,079	368,074
Total	3,097,106	3,655,380

a.3) Resulting from transactions with related parties are as follows:

Specification	01.01 to 09.30.2021	01.01 to 09.30.2020
Ministry of Economy/Time deposits - FAT	(50,516)	(42,891)
National Treasury	(93)	(59)
National Bank for Economic and Social Development (BNDES)	(149,260)	(100,313)
Fund for Financing the Acquisition of Industrial Machinery and Equipment (FINAME)	(4,252)	(3,597)
Federal Government/Ministry of Infrastructure/FMM	(5,792)	(23,885)
Federal Government/Ministry of Agriculture, Livestock and Supply	(3,346)	-
FNE	878,150	912,641
SUDENE/FDNE	17,317	17,958
Federal Government/ Debt Instruments Eligible to Principal Capital	(63,267)	(51,363)
FNE/ Subordinated Debts Eligible to Capital	(112,707)	(90,841)
Retirement and DB pension plan	(66,754)	(56,986)
Retirement and VC I pension plan	(45,509)	(43,826)
Health Care plan	(180,263)	(141,260)
Life insurance - Post-employment benefit	(21,153)	(20,191)

b) Managing officers' compensation

The compensation of the Board of Directors, Statutory Executive Board and Supervisory Board is shown below:

Specification	01.01 to 09.30.2021	01.01 to 09.30.2020
Fees	3,122	3,178
Executive Board	2,774	2,762
Board of Directors	199	212
Supervisory Board	149	204
Other	1,071	1,796
Variable compensation (RVA)⁽¹⁾	878	936
Total short-term benefits	5,071	5,910
Post-employment benefits	220	214
Total	5,291	6,124

- (1) 50% of the RVA corresponds to a share-based instrument, having as a parameter, for the provision and payment in cash, the price of the Bank's shares quoted on B3. The amounts in the table above correspond to the provision for payments to occur, as well as the deferred installments to be settled in the following three years, in accordance with CMN Resolution No. 3921, of 11.25.2010

The Bank offers to its officers, as post-employment benefits, Pension and Health Care Plans under the same conditions offered to employees.

NOTE 31 - Recurring and Nonrecurring Income

Specification	01.01 to 09.30.2021	01.01 to 09.30.2020
Recurring income	882,241	893,869
(+) Nonrecurring income	21,618	(516,952)
Impairment of Securities ⁽¹⁾	-	(312,297)
Voluntary Dismissal Incentive Program (PID) ⁽²⁾	-	(53,006)
Prudential allowance ⁽³⁾	-	(151,649)
Tax Credit – Deferred Tax Obligation ⁽⁴⁾	21,618	-
(+) Tax effects of IECP and profit sharing on extraordinary items⁽⁵⁾	(1,969)	260,958
Net income	901,890	637,875

- (1) Amounts recognized as permanent losses for the Bank's Securities portfolio, as provided for in article 6 of Bacen Circular No. 3068, dated 11.08.2001.

- (2) Severance expenses with the Voluntary Dismissal Program (PID)

- (3) Prudential allowance in percentages higher than the minimum required by CMN Resolution No. 2682, of December 21, 1999, recorded based on an internally established model for credit risk classification, to face the macroeconomic uncertainties based on stress scenarios.

- (4) Determination of deferred tax credit and tax obligations considering the change in the CSLL rate from 20% to 25% as of July 1, 2021 (Law No. 14183/2020), effective until December 31, 2021.

- (5) Amounts calculated on items 1 to 4 of Non-Recurring profit or loss.

NOTES TO INDIVIDUAL INTERIM FINANCIAL STATEMENTS OF BANCO DO NORDESTE DO BRASIL S.A.

Quarters and Periods ended September 30, 2021 and 2020 and year ended 2020
Amounts expressed in thousands of reais, unless otherwise stated

NOTE 32 – Subsequent Events**a) Dividends for the 1st Semester of 2021**

In the Board of Directors' meeting held on October 13, 2021, Dividend distribution was approved, in the form of Dividends and Interest on Equity (IOE), for the 1st half of 2021, in the amount of R\$ 169,551.

b) Law No. 14227, of October 20, 2021

Highlights of Law No. 14227, resulting from the conversion of Provisional Executive Order No. 1052, of May 19, 2021:

i) no change to the rules defined in Law No. 13682, of June 19, 2018, which determine the annual reduction of the administration fee earned by the Bank, based on 0.3%, from 3% in 2018 to 1.5% per year as of 2023. For 2021, the percentage in force is 2.1% per year;

ii) *Del Credere* is decreases from 6.0% to 4.5% per year, in operations with risk fully assumed by the Bank, depending on the size of the loan beneficiary, and from 3.0% to 2.25% per year, in shared risk operations, also depending on the size of the beneficiary.

NOTE 33 - Other Information**a) Statement of compliance**

The Bank confirms that all significant information of the Individual Interim Financial Statements themselves, and only such information, is being disclosed and corresponds to that used in the management of Banco do Nordeste.

b) Approval of the Individual Interim Financial Statements

These Individual Interim Financial Statements were approved at an Executive Board meeting held on November 10, 2021.

Fortaleza (CE), November, 10, 2021.

The Executive Board

Note: The Notes are an integral part of the Individual Interim Financial Statements of Banco do Nordeste do Brasil S.A.

Opinions and Representations / Special Review Report - Unqualified

Independent auditor's review report on individual interim financial information

To
The Board of Directors, Shareholders and Officers of
Banco do Nordeste do Brasil S.A.

Introduction

We have reviewed the individual interim financial information of Banco do Nordeste do Brasil S.A. ("Bank"), contained in the Quarterly Information Form (ITR) for the quarter ended September 30, 2021, which comprise the balance sheet as at September 30, 2021, and the related statements of income and of comprehensive income for the nine-month periods then ended, and the statements of changes in equity and of cash flows for the nine-month period then ended, including the explanatory notes.

Management is responsible for the preparation and fair presentation of this individual interim financial information in accordance with NBC TG 21 - Interim Financial Reporting and with the accounting practices adopted in Brazil, applicable to financial institutions authorized to operate by the Central Bank of Brazil. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of review

We conducted our review in accordance with Brazilian and International Standards on Review Engagements (NBC TR 2410 and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the individual interim financial information included in the quarterly information referred to above was not prepared, in all material respects, in accordance with the accounting practices adopted in Brazil, applicable to financial institutions authorized to operate by the Central Bank of Brazil, and with NBC TG 21 applicable to the preparation of Quarterly Information (ITR).

□

Other matters

Statement of value added

The quarterly information referred to above includes the individual statement of value added (SVA) for the nine-month period ended September 30, 2021, prepared under the responsibility of Bank management and presented as supplementary information under the accounting practices adopted in Brazil, applicable to financial institutions authorized to operate by the Central Bank of Brazil. This statement was submitted to review procedures performed together with the review of quarterly information, in order to determine whether it is reconciled with the individual interim financial information and accounting records, as applicable, and whether its form and content are in accordance with the criteria provided for in NBC TG 9 - Statement of Value Added. Based on our review, nothing has come to our attention that causes us to believe that this statement of value added was not prepared, in all material respects, in accordance with the criteria defined in referred to Standard and consistently with the individual interim financial information taken as a whole.

São Paulo, November 12, 2021.

ERNST & YOUNG
Auditores Independentes S.S.
CRC-2SP034519/O-6

Renata Zanotta Calçada
Contador CRC-1RS062793/O-8

Opinions and Representations / Officers' Representation on the Financial

The Officers of Banco do Nordeste do Brasil S.A., for the purposes of complying with the provisions of article 25, paragraph 1, item VI, of CVM Ruling No. 480 of December 7, 2009, represent that learned, reviewed, discussed and agreed with the entire content of the financial statements of Banco do Nordeste do Brasil S.A. as at September 30, 2021

Fortaleza, November 10, 2021

EXECUTIVE BOARD: Anderson Aorivan da Cunha Possa (Acting President and Chief Business Officer) - Bruno Ricardo Pena de Sousa (Director of Planning) - Haroldo Maia Junior (Director of Management and Director of Financial and Credit) - Lourival Nery dos Santos (Director of Risk and Control).

Opinions and Representations / Officers' Representation on the Independent Auditor's Report

The Officers of Banco do Nordeste do Brasil S.A., for the purposes of complying with the provisions of article 25, paragraph 1, item V, of CVM Ruling No. 480 of December 7, 2009, represent that learned, reviewed, discussed and agreed with the entire content of the Report issued on November 12, 2021 by Ernst & Young Auditores Independentes S.S. on the interim financial statements of Banco do Nordeste do Brasil S.A. as at September 30, 2021.

Fortaleza, November 12, 2021

EXECUTIVE BOARD: Anderson Aorivan da Cunha Possa (Acting President and Chief Business Officer) - Bruno Ricardo Pena de Sousa (Director of Planning) - Haroldo Maia Junior (Director of Management and Director of Financial and Credit) - Lourival Nery dos Santos (Director of Risk and Control).