

BANCO DO ESTADO DO RIO GRANDE DO SUL S.A.
Corporate Taxpayer's ID (CNPJ) No 92.702.067/0001-96
MATERIAL FACT

BANCO DO ESTADO DO RIO GRANDE DO SUL S.A. (“**Banrisul**”), pursuant to the Brazilian Securities Commission (*Comissão de Valores Mobiliários*) (“**CVM**”) Instruction No. 358, dated January 3, 2002, as amended, and pursuant to Section 157, §4° of Law No. 6,404, dated December 15, 1976, as amended, hereby informs its shareholders and the market in general that it has been informed by its controlling shareholder, the State of Rio Grande do Sul (*Estado do Rio Grande do Sul*) (“**Controlling Shareholder**”) regarding the approval by the Reform Programme of the State of Rio Grande do Sul (“**CODPRE**”), as endorsed by an act of the Governor of the State of Rio Grande do Sul, both held on September 15, 2019, of a request to our Board of Directors to call an Extraordinary Shareholder’s Meeting in order to resolve on the creation of a Share Certificate of Deposit Program (“**Units**” and “**Units Program**,” respectively), to provide Banrisul’s shareholders with the ability to form, on a voluntary basis, Units representing class B preferred shares and common shares of Banrisul, subject to (i) the completion of the bookbuilding process related to the public offering of common shares issued by Banrisul and held by the Controlling Shareholder (“**Shares**” and “**Selling Shareholder**”, respectively), pursuant to CVM Instruction No. 476, dated January 16, 2009, as amended (“**CVM Instruction 476**”), as announced in a material fact disclosed on September 9, 2019 (“**Offering**”), (ii) the effective settlement of the Offering and (iii) the release of the closing notice relating to the Offering to the CVM.

It should be noted that, even if the Offering is concluded and the conditions indicated in items “i” through “iii” above are met, the creation of the Units Program will still depend on obtaining all necessary approvals and authorizations from all competent authorities. At this time, it is not possible to ensure that the Units Program will be implemented.

The Offering has not been and will not be registered under the United States Securities Act of 1933, as amended (“Securities Act”), or any other U.S. federal or state securities laws, and the Shares may not be offered, sold or otherwise transferred in the United States or to U.S. investors, unless they are registered, or exempt from, or not subject to, registration under the Securities Act.

This material fact notice is disclosed for informative purpose only and shall not, in any circumstances, be construed as an investment recommendation. This material fact notice does not constitute an offer to sell or a solicitation of an offer to buy Banrisul’s securities, including the Shares, whether by Banrisul or by the Selling Shareholder, and shall not constitute an offer, solicitation or sale in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of that jurisdiction.

Banrisul will keep its shareholders and the market in general informed about any additional information with respect to the Units Program through the disclosure of Notices to the Market or Material Facts on the web pages of CVM (www.cvm.gov.br), B3 (www.b3.com.br) and Banrisul (ri.banrisul.com.br).

Porto Alegre, September 15, 2019.

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